



**WISCONSIN**

**REQUEST FOR PROPOSAL FOR  
ELECTRONIC BENEFIT TRANSFER  
SERVICES**

**AND**

**ATTACHMENTS**

**A THROUGH I**

**May 16, 2006**

**WISCONSIN DEPARTMENT OF HEALTH AND FAMILY SERVICES**



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# SECTION 1

## EBT RFP

### OVERVIEW



## **1.0. Introduction**

The purpose of this Request for Proposals (RFP) is to acquire Electronic Benefit Transfer (EBT) services for the FoodShare Program administered by the Wisconsin Department of Health and Family Services, hereinafter referred to as the State.

The State retains the right to accept or reject any or all Proposals if it is deemed to be in the best interest of the State.

The purpose of Section 1 is to describe the Contract type and term, tentative schedule, procurement rules and processes, and detailed proposal submission requirements for responding to this RFP.

This RFP is issued by the State of Wisconsin, Department of Health and Family Services (DHFS). DHFS is the sole point of contact for all Respondents from the date of release of the RFP until the Contract is fully executed and signed. This RFP has been officially released via the State's VendorNet System.

Note: The official copy of this RFP residing on the VendorNet website is in PDF format only and contains numerous web links found within the document which are essential to Respondents in preparing their Proposals. These web links, however, may not be directly hyperlinked and functional within the PDF format. The State has therefore posted, in addition to the PDF format, a mirror version in Microsoft Word format at the following URL:

<http://dhfs.w.gov/rfp>

Upon arrival at this webpage, the reader may click on the 'DHCF' link at the top of the page, and then scroll down to this EBT RFP. The links within that document are fully functional (clickable) and hyperlinked directly to the URL or website appropriate to the RFP passage.

## **1.1. Overview**

This RFP solicits the delivery of the full scope of EBT services. Services to be provided include:

- Account Set-up and Maintenance
- Benefit Authorization
- Card Issuance and Replacement
- Training: Client, Staff, and Retailer
- Settlement and Reconciliation
- Customer Service
- Transaction Processing
- Retailer Management and EBT-only Terminal Deployment
- Administrative Terminal



- Client Web Access
- Reporting
- Transition
- Disaster Preparedness
- Security Plan Design and Implementation
- Any additional services not addressed in this document but determined by Respondents to be necessary for enhancing benefit delivery or operational efficiency.

The range of services described / requested in this RFP reflects the State's goal to provide EBT services that meet the State's quality, performance, and budget requirements. Section 2 of this RFP defines the scope of the project as envisioned by the State. Section 3 defines the technology and software that the Contractor must be able to supply in order to provide EBT services to the State. Section 4 contains pricing schedules for Respondents to use in their Proposals. The appendices provide additional information, which further clarifies and defines the scope of services required.

The term "Contractor" is used throughout the document to define the EBT Contractor eventually selected as a result of this RFP. The term "Current Contractor" is used as needed when describing processes or system components in use by the Contractor currently operating the State's EBT System.

The term "Respondents" is used throughout the document to define any and all entities submitting Proposals under this RFP. Any entity meeting this definition, including the Current Contractor when appropriate, will be, for purposes of this procurement, referred to as a "Respondent". Further description of the use of these terms can be found in Section 2.0.

The Contract period for services acquired through this RFP will be for six (6) years initially with the State solely reserving the option to renew the Contract under the same terms and conditions for two (2) additional periods of two (2) years each.

## **1.2. Project Summary**

Wisconsin operates the Federal Food Stamp program in Wisconsin under the name "Wisconsin FoodShare Program" or simply FoodShare. A statewide EBT program for the delivery of benefits under the auspices of the FoodShare Program was implemented on November 1, 2000. Wisconsin currently operates an established EBT System under a Contract that will expire on October 31, 2007. This RFP solicits an EBT System that results in as little disruption or change to the State's current operations as possible. Additionally, the DHFS prefers that the new EBT System require no changes to the interface design between the State's and the Contractor's systems. However, the State would consider changes to its EBT interface if the proposed changes provided operational savings and/or improved services.



Respondents must propose an EBT System (hereinafter referred to as the “System”) that meets the requirements of applicable Federal and State laws and regulations as well as Quest Operating Rules. See Attachment A, Contract Terms and Conditions, for order of precedence in governance. In regards to EBT processing, the Federal requirements will be considered the minimum standards for the System.

Unless expressly noted as an exception herein, Quest Operating Rules will apply to all applicable aspects of System development and operation. The State may seek variances from portions of the Quest Operating Rules, if deemed necessary by the State to meet the State’s requirements. As Federal and State regulations and/or Quest Operating Rules are changed, the Contractor, in concert with the State, must modify the System to meet the new requirements within the timeframe prescribed by the State.

In addition, Nationwide Interoperability, in accordance with Federal Regulations for the Food Stamp Program, is a mandatory component of this RFP.

### **1.3. RFP Point-of-Contact**

Bernadette Connolly  
Wisconsin Department of Health and Family Services  
Division of Health Care Financing

Bureau of Eligibility Management

One West Wilson Street, Room 1050  
PO Box 309  
Madison, WI 53701-0309

FAX: 608.267.2269

E-mail: [connobm@dhfs.state.wi.us](mailto:connobm@dhfs.state.wi.us)

From the date of release of this RFP until the time that a Proposal is selected and a Contract is awarded, all contacts regarding this RFP with personnel in public office (Federal, State, or Local) or with individuals or organizations contracted to the State of Wisconsin or otherwise associated with this RFP are restricted.

No prospective Respondent, including any employee, agent, or subcontractor thereof, may, in any manner whatsoever, approach personnel employed by or contracted to the State of Wisconsin or any other public agency participating in the Wisconsin FoodShare Program regarding this RFP or this project without the prior express written permission of DHFS.

Violation of these conditions may, at the sole discretion of DHFS, be considered sufficient cause by DHFS to reject a proposal, irrespective of any other consideration.



DHFS will provide reasonable accommodations, including the provision of all material in this RFP in an alternative format, for qualified individuals with disabilities upon request. Further, Respondents who feel they need similar accommodations at any required events must submit a request for such to the RFP Point of Contact indicated above as early in the process as possible.

#### 1.4. Procurement Schedule

The proposed procurement schedule is detailed in the following chart. If necessary, revisions to this schedule will be made as an amendment to this RFP.

Procurement Stage	Due Date
State Released RFP on VendorNet	May 16, 2006
Notice of Intent <u>AND</u> Questions from Respondents	June 15, 2006; 4:00 PM CDT
<b>Proposals Due in Entirety</b>	<b>August 15, 2006; 4:00 PM CDT</b>
State Mails Notice of Intent to Award Contract to the Selected Contractor	September 29, 2006
Negotiation of Final Contract	Estimated to Begin October 9, 2006
Contract Signing by State and Contractor	Estimated by November 30, 2006

##### 1.4.1 Notes to Procurement Schedule

- Potential Respondents are requested, but not required, to submit a Notice of Intent to Respond to this RFP by June 15, 2006. Along with this Notice of Intent, potential Respondents may include any questions they may have concerning the RFP. The State will send written clarifications and supplemental information regarding the RFP only to those parties who have submitted timely Notice of Intent and/or to parties who request such information.
- Proposals received after the cutoff date and time will not be accepted. An original and seven (7) copies of the proposal must be submitted. **Faxed and/or e-mailed versions of the Proposal received at any time during the process will be rejected upon receipt with no further consideration.**
- Opportunity to make oral presentations may be offered to one or more Respondents during the scoring of all accepted Proposals. The oral presentation will allow invited Respondents to address any further issues



they wish with the State, or vice-versa, prior to the State's issuing a Notice of Intent to Award. All invited Respondents are encouraged to accept the invitation to participate. Any such participation, however, will be at the Respondent's expense.

- Certain Respondent(s) may, at the State's option, be invited to propose a Final and Best Offer.

It is the intent of the State to have a fully-negotiated and signed Contract as soon as possible after negotiations begin. If Contract negotiations with the Selected Contractor are unsuccessful, the State will end negotiations with said Contractor and begin negotiations with the Respondent having achieved the second highest score during the evaluation of the Proposals. Selection of a Respondent for Contract negotiations does not, in and of itself, ensure a Contract with the State for EBT services. The ultimate entry into a Contract with the State for such services is entirely contingent upon the successful negotiations of all Contract terms and conditions.

If it becomes necessary to revise any part of this RFP, an amendment will be placed on VendorNet. The State reserves the right to amend this RFP at any time prior to the proposal due date by issuing written amendment(s). All amendments to this RFP posted to VendorNet must be addressed in the final Proposal submitted.

The Department reserves the right, at its sole discretion, to reject any or all proposals, pursuant to the Wisconsin Administrative Code, Chapter Adm 10.08(1)(f). The Department reserves the right, at its sole discretion, to cancel this procurement at any time.

### 1.5. Requirements for Responding to this RFP

Respondents' Proposals must follow the section/subsection headings of each requirement verbatim, employing the same numbering system used in this RFP. **Other than those which are declarative in nature, each numbered passage listed in Sections 2, 3, and 4 of this RFP requires a response.** Sections 2 and 3 require Respondents to describe their technical proposal, while Section 4 requires Respondents to describe their Pricing Proposals. This Pricing Proposal must be submitted as a separate document and must not be incorporated into the main Proposal. **Further, the two documents must be submitted in completely separate envelopes clearly labeled on the outside of the envelope.** A detailed response to each requirement of sections 2, 3, and 4 must be presented directly below its section heading and may not simply be a restatement, concurrence, or agreement with that section. In the case of sections that do not clearly require the provision of descriptive, solution-oriented information, the State strongly suggests that Respondents provide additional narrative if such information will serve to enhance and/or clarify the response. By providing the response as called for, Respondents agree to comply with the requirement as stated. Any Proposal from a Respondent failing to follow these instructions may be rejected.



All Proposals must address all requirements in this RFP in order to be considered for Contract award. **To receive consideration, the Proposal must be received no later than 4:00 PM CDT on Tuesday, August 15, 2006.** A signed original and seven (7) copies of the Technical Proposal (separate from the Pricing Proposal) are required. A signed original and seven (7) copies of the Pricing Proposal (separate from the Technical Proposal) are likewise required.

**Technical and Pricing Proposals must be submitted to:**

Bernadette Connolly  
Bureau of Eligibility Management  
Division of Health Care Financing  
Department of Health and Family Services  
One West Wilson Street, Room 1050  
Madison, WI 53702

The **Technical Proposal** and envelope must be clearly marked as:

**EBT RFP Technical Proposal**  
**Name and Address of Respondent**  
**RFP 1553 DHCF-EG**

The hard copy of the Technical Proposal must be accompanied by an electronic copy stored on a CD and labeled as above.

The **Pricing Proposal** and the envelope must be clearly marked as:

**EBT RFP Pricing Proposal**  
**Name and Address of Respondent**  
**RFP Number 1553 DHCF-EG**

The hard copy of the Pricing Proposal must be accompanied by an electronic copy stored on a CD and labeled as above.

No other distribution of Proposals is to be made by the Respondent. Proposals must be signed by an official authorized to bind the Contractor to Contract and Transmittal Letter provisions. The Technical and Pricing Proposals submitted in response to this RFP will remain valid for at least two hundred-seventy (270) days. Moreover, the contents of the selected Contractor's Proposal will become Contractual obligations if a Contract is entered into. Submission of a Proposal constitutes Respondent's understanding, acceptance, and consent to adhere without any reservation or limitation whatsoever to the requirements, terms, and conditions of this RFP, including any RFP addenda. This consent to adhere to requirements also applies to the Respondent's use of all schedules contained in all Appendices and Attachments. Failure in whole or in part of the Respondent to respond to a specific mandatory requirement may be the basis for elimination from consideration during the Department's review of Proposals. Failure by a Respondent to



meet, in whole or in part, requirements specified in the RFP may result in rejection of the Proposal. Receipt of proposals by the Department confers no rights upon the Respondent. Receipt of proposals will not, in any manner whatsoever, obligate DHFS, the State of Wisconsin, the USDA, or any employees thereof. This RFP may or may not result in the awarding of a Contract. DHFS reserves the right to cancel this procurement at any time and for any reason and to reject any or all proposals at any time and for any reason.

Proposals must be clear, concise, and direct. The Proposals should fully describe the approach and solution, but not include marketing or other materials that are not requested in the RFP or add little or no value to DHFS' understanding of the Proposal. Brochures or other presentations, beyond that sufficient to present a complete and effective Proposal, are not desired. Audio and/or videotapes are not allowed. Elaborate artwork, expensive paper, expensive binders, and expensive visual and other presentation aids are not necessary.

Proposals submitted in whole or in part by fax or e-mail will be rejected. Late proposals will be rejected and will be returned unopened. **There will be no exceptions.**

## **1.6. Open Records Law and Confidentiality**

The Wisconsin Open Records Law requires public disclosure of all sealed proposals and related documents upon Issuance of Intent to award. In addition, after issuance of the Notice of Intent to Award a Contract, all opened and qualified proposals are considered open records. Inspection is subject to the statutes and rules of the State of Wisconsin.

Respondents must complete Form DOA-3027, Designation of Confidential and Proprietary Information Form (Attachment I), for items or materials that can be kept confidential under the Wisconsin Open Records Law. This form must be completed and submitted with each Respondent's Technical Proposal. Form DOA-3027 is included as Attachment I to this RFP.

DHFS will make an independent determination as to which items or materials may be considered closed records or nonpublic records. If the proposal includes material that is considered by the Respondent to be proprietary and confidential under Wisconsin law, the Respondent must clearly designate the material as such. The Respondent must identify each page or section of the proposal that, in the Respondent's opinion, contains proprietary or confidential information. Additionally, the Respondent must provide sufficient grounds to justify each exemption from release, including the prospective harm that would be caused to the competitive position of the Respondent if the identified material were to be released.

In all cases, Pricing Proposals will be considered open records upon the Department's issuance of the Notice of Intent to Award. Therefore, Respondents may not declare their Pricing Proposals or any portion thereof as confidential or proprietary. The contents of the Technical Proposal and Pricing Proposal, as accepted by the State, will become part of any Contract awarded as a result of this RFP.



## **1.7 Proposal Amendments and Rules for Withdrawal**

Prior to the proposal due date, a submitted proposal may be withdrawn by submitting to the State's RFP Contact a written request for its withdrawal, signed by the Respondent's authorized agent. This request must provide an explanation for the action. Return postage cost will be paid by the Respondent. Respondents are allowed to make amendments or corrections to their proposals at any time prior to the proposal due date without penalty. To amend or correct a proposal, Respondents must request in writing that their proposal be returned. Return postage cost will be paid by the Respondent. The proposal must be resubmitted to DHFS prior to the original proposal due date in order to be considered for evaluation.

## **1.8. Proposal Evaluation Process**

The purpose of this section is to provide a description of the evaluation process and the criteria that the State will employ in the selection of a Contractor. All Proposals received by the closing deadline will be evaluated according to the criteria outlined herein.

The Proposals will be reviewed initially to determine if all required information has been submitted. Failure to provide required information may result in a Proposal being rejected. A Proposal's descriptive answer to a stated requirement will be considered when determining how well a requirement has been responded to.

The following evaluation criteria are structured to ensure that the State's prime objective, the maximally effective and efficient operation and management of EBT Services, is met. Specifically, the State seeks a Service Provider that:

- Meets or exceeds the detailed system requirements described in this document;
- Offers innovative and effective methods for successfully managing service and functional requirements;
- Employs skilled and experienced individuals to perform overall project functions;
- Is supported by corporate strength to ensure full, effective implementation and maintenance;
- Functions under an effective, realistic Project Work Plan (PWP) to implement the specifications of this RFP; and
- Meets the State's budget requirements.

In addition, the State seeks a System that is technically sound, flexible, and capable of incorporating current technological advancements and new innovations as they become available. Both technical capacity and pricing are considered important criteria for the selection of a Contractor.

The responses to the Technical portions of this RFP (i.e., Section 2, Project Scope and Management, and Section 3, General Requirements), will be evaluated by an Evaluation Committee and scored separately from the Pricing Proposal requested in Section 4.



In the overall scoring scheme, the Technical Response (Sections 2 and 3) will account for seventy percent (70%) of the total score, and the Pricing Proposal (Section 4) will account for thirty percent (30%) of the total score

Pricing Proposals will be evaluated for compliance with the required format. The State is not required to select the Respondent with the lowest price proposal. The Pricing Proposal score for those Proposals meeting the minimum requirements threshold will be normalized using the following methodology:

$FC = (L/S) * \text{the maximum \# of total cost points}$

Where:

L = Lowest cost for all qualified Respondents

S = Pricing Proposal by Respondent N

FC = Final cost proposal score for Respondent N

In other words, the equalized (or normalized) Final Pricing Proposal Score for a given Respondent will be calculated in the following manner:

- ✓ The lowest price quote from ALL qualified Respondents will be divided by the price quote from EACH Respondent.
- ✓ The product of this calculation will be multiplied by the maximum number of allowable points (i.e., a theoretical perfect score).
- ✓ This calculation performed on the price quotes from all qualified Respondents will yield a cost score for each qualifying Respondent. That cost score will be added to each evaluator's final technical proposal score for each qualifying Respondent.
- ✓ The evaluator's technical requirements score will be cumulated and added to the cost score. This combination will comprise the Total Score for each qualifying Respondent.

The Evaluation Committee may review references, request interviews, and/or conduct on-site visits and use the results in scoring the Proposals. Proposals from certified Minority Business Enterprises (MBE) may have points weighted by a factor of 1.00 to 1.05 to provide up to a five percent (5%) preference to these businesses (Wisconsin Statutes 16.75(3)(m)). The Evaluation Committee's scoring will be tabulated and Proposals ranked based on the numerical scores received.

Upon completion of any oral presentations and/or demonstrations by Respondents, the State's Evaluation Committee will review the preliminary evaluation and may make scoring adjustments based on the information obtained in the oral presentation and/or demonstration, site visits, and reference checks to determine final scoring.

The State will compile the final scores (general and technical requirements and cost) for each Proposal. An award may be granted to the highest scoring, responsive and responsible



Respondent. Alternatively, the highest scoring Respondent or Respondents may be requested to submit final and best offers. If final and best offers are requested by the State and submitted by the Respondent(s), they will be evaluated against the stated criteria, scored, and ranked by the Evaluation Committee. The award then will be granted to the highest scoring Respondent. However, Respondents should not submit their Proposals assuming the State will request a final and best offer.

### **1.8.1. Independent Price Determination**

By submitting a Proposal, the Respondent certifies, in connection with this procurement, that:

- the Respondent has arrived at the prices proposed independently, without consultation, communication, or agreement with any other Respondent or with any other competitor for the purpose of restricting competition or for any other purpose related to the prices proposed.
- the Respondent has not, unless required to do so by law, knowingly disclosed the prices quoted directly or indirectly to any other Respondent or to any other competitor
- the Respondent has not made and will not make any attempt to induce any other person or firm to submit or not to submit a proposal for the purpose of restricting competition.

In the case of a joint Proposal, each party thereto certifies, by submitting a Proposal, that the above-listed conditions are true.

By signing the proposal, each person certifies either that:

- he or she is the individual in the Respondent's organization responsible for offering prices and honoring prices offered. In this capacity, he or she has not participated in any pricing action contrary to the conditions cited above.
- or that:
- he or she is not the individual in the Respondent's organization responsible for offering prices and honoring prices offered, but that he or she has written authorization to act as agent for the persons responsible for such decisions. In this capacity, he or she certifies that the persons whom he or she represents have not and will not participate in any action contrary to the conditions cited above. Furthermore, the authorized agent certifies that he or she has not and will not participate in any action contrary to the conditions cited above.



## 1.9 Transmittal Letter

A single Transmittal Letter must be submitted with each Respondent's Technical Proposal. The Transmittal Letter must be written on the Respondent's official business letterhead. The letter transmits the proposal and identifies all materials and enclosures being forwarded collectively in response to this RFP. An individual authorized to contractually and legally commit the Respondent to the scope of work proposed must sign the original Transmittal Letter. The Transmittal Letter must include the following items in the order given:

- A list of all materials and enclosures being forwarded in response to this RFP.
- A reference, arranged by amendment issue date, to all RFP amendments posted to VendorNet and reviewed by the Respondent. This list of amendments indicates that the Respondent is aware of all such amendments. If no amendments have been posted prior to proposal submission, the Respondent must make a statement to that effect in the transmittal letter.
- A statement that the Respondent believes the proposed solution meets all the general, technical, and functional capability requirements set forth in this RFP.
- A statement that pricing was arrived at without any collusion or conflict of interest.
- A statement that the Respondent has read, understands, and agrees to the Contract Terms and Conditions contained in Attachment A.
- Respondents may not place any conditions, reservations, limitations, or substitutions in their proposal with regard to the Contract language found in Attachment A. The Respondent selected under this RFP may subsequently request non-substantive changes to the Contract language, but the State reserves the sole right to accept or reject any requested changes.
- A statement, if applicable, that the prime Contractor is a Minority Business Enterprise (MBE) in accordance with Wis.Stats.16.75(3m).
- A statement that no pricing information has been included in the Technical Proposal.
- A statement that the Respondent will develop and operate an EBT System that meets all performance requirements set forth in this RFP or has clearly specified any deviations from these performance requirements.

An original signed Transmittal Letter must be submitted in a separate, sealed envelope inside the package containing all seven copies of the Technical Proposal.

## 1.10 Award Notice and Award Authority

Upon completion of the evaluation of the Technical and Pricing Proposals, DHFS will issue a Notice of Intent to Award a Contract based on the final recommendation of the Evaluation



Committee. The notification will be sent by the Department to all Respondents. Such a Notice of Intent to Award a Contract under this RFP does not constitute an agreement nor does it authorize the selected Respondent to initiate the project or incur costs under the RFP or Contract.

Notification of Intent to Award a Contract as well as subsequent execution of the Contract is contingent upon approval of the selected Contractor and the approval of the final Contract by the State and by the USDA. Final authority to award the Contract rests with the Secretary of the Wisconsin Department of Health and Family Services or her designee. After Notification of the Intent to Award is made, copies of proposals will be available for public inspection under the supervision of agency staff from 8:00 a.m. to 4:30 p.m. at One West Wilson Street, Madison, Wisconsin 53702.

### **1.11. Appeals Process**

Notices of intent to protest and protests must be made in writing. Protestors should make their protests as specific as possible and should identify statutes and Wisconsin Administrative Code provisions that are alleged to have been violated.

The written notice of intent to protest the intent to award a contract must be filed with:

Ms. Helene Nelson, Secretary  
Department of Health and Family Services  
One West Wilson Street  
P.O. Box 7850  
Madison, WI 53707-7850

and received in her office no later than five (5) working days after the Notices of Intent to Award are issued.

The written protest must be received within ten (10) working days after the Notice of Intent to Award is issued.

The decision of the head of the procuring agency may be appealed to the Secretary of the Department of Administration within five (5) working days of issuance, with a copy of such appeal filed with the procuring agency. The appeal must allege a violation of statute or provision(s) of the Wisconsin Administrative Code.

### **1.12. Disposition of Proposals**

Proposals submitted in response to this RFP will become the exclusive property of DHFS and may be retained, returned, used, reproduced, distributed, and/or destroyed by DHFS at its sole discretion. For purposes of public record-keeping, the State will retain at least one (1) copy of each proposal. The State of Wisconsin will have the right to use all ideas or adaptations of those ideas contained in any proposal received in response to this RFP.



### **1.13. Cost Liability**

The State of Wisconsin assumes no responsibility or liability for any costs incurred by Respondents, including but not limited to costs associated with (a) developing and submitting proposals, (b) participating in the Oral Presentation or demonstrations, (c) preparing written questions, (d) responding to the State's questions and requests for clarification, or (e) protesting or appealing this procurement or the Intent to Award the Contract to a competitor.

### **1.14. Current System Description**

EBT services are currently provided to the State by **JP Morgan Electronic Financial Services**, hereinafter referred to as the Current Contractor, along with a number of its subcontractors.

#### **1.14.1. Services Provided by the Current Contractor**

- Operation of a turnkey EBT System, providing:
  - Project management
  - Settlement and reconciliation services
  - System account management and processing services
  - EBT transaction switching services
  - Client Customer Service
  - Retailer Management
  - Card production services
  - EBT-only Point-of-Sale (POS) terminal driving
  - Administrative Terminal Functionality
  - EBT Transaction Authorization Services.

#### **1.14.2. State Interfaces**

The State has established a defined set of interfaces between the Current Contractor and the State's EBT Interface System that supports the transfer of information and data



required to maintain the System. Because of the expense and effort that would be required by the State to change this physical and virtual interface, the State requires that prospective EBT Contractors utilize the existing interface design to the maximum extent possible. Respondents proposing to change the interface must provide a compelling reason why the change is necessary and clearly segregate any cost of such changes in the Pricing Section of the RFP.

#### **1.14.3. Batch Files**

The primary method of exchanging information between the State's EBT Interface System and the Contractor's EBT System is the use of batch files. Descriptions of the files produced by the Current Contractor are provided in Section 3.12 of this RFP, and the specific file formats are detailed in Attachment F, EBT File Formats.

#### **1.14.4. Administrative Terminal**

The EBT Administrative Terminal provided by the Current Contractor is utilized mainly for inquiry access by authorized individuals, although there are also update functions associated with the Administrative Terminal application. While the State does not expect that the existing Administrative Terminal screens be duplicated in the new EBT System, the State does expect that the functionality provided by the Administrative Terminal be replicated to the extent possible. A description of the Administrative Terminal functions is provided in Section 3.10 of this RFP.

#### **1.14.5. Wisconsin FoodShare Program**

The State currently has only one human service program delivering benefits through an EBT environment: the Wisconsin FoodShare Program.

By Federal definition, the Food Stamp Program (FSP) is a food assistance program administered by the Food and Nutrition Service (FNS) of the United States Department of Agriculture (USDA). FNS sets national Food Stamp policies. In addition, it retains sole authority to screen, authorize, and manage food retailers in accepting Food Stamp program benefits. FNS monitors retailer compliance and investigates retailers suspected of fraudulent activities. This is not a State function and, as such, is not included in this RFP.

Although administered by FNS, the Food Stamp program is operated by states, and in Wisconsin, it is entitled the ***FoodShare Program***, hereinafter referred to with the acronym FS. The State operates an eligibility certification system known as Client Assistance for Reemployment and Economic Support (CARES). Through CARES, local agencies and Tribal entities, hereinafter referred to as local agencies, determine eligibility



and authorize benefits. Local agencies are also charged with investigating clients who are suspected of fraudulently obtaining benefits.

#### **1.14.5.1. Program Purpose**

FS benefits are used to supplement the food-buying power of eligible low-income households. The purpose of the FS Program is twofold: to improve the levels of nutrition among low-income households, and to strengthen the agricultural economy through normal commercial channels.

#### **1.14.5.2. Client Profile**

Attachment G contains Historical Caseload Data for the FS Program. However, the data contained therein should not be viewed as an indication or guarantee of future FS caseloads.

#### **1.14.5.3. Benefit Restrictions**

As a food assistance program, FS benefits are restricted to the purchase of eligible food items in authorized food retail locations.

#### **1.14.5.4. Retailer Management**

Entities authorized by FNS to accept FS benefits are defined as retailers and are required to comply with program rules. Retailers include merchants of two categories: traditional (i.e. food markets in physical facilities) and non-traditional (i.e. those with no set physical business location, such as farmers' markets or route vendors). All retailers listed on the FNS retailer database must be included in the deployment of Point of Sale (POS) equipment except for those retailers specified in the Federal waiver entitled "Retailer Participation – POS Deployment Threshold." Retailers who allow the use of FS benefits for the purchase of non FS-approved eligible food items may be investigated for fraud. The Department of Agriculture's Office of the Inspector General (OIG), Retailer Investigations Branch, Secret Service, and State or local law enforcement officials are responsible for retailer fraud investigations.

#### **1.14.5.5. Funding**

FS benefits are 100% funded by the Federal government. Benefit funds are not disbursed until the client uses the EBT card to access the benefits, a debit is posted to the client's account, and an Automated Clearing House (ACH) settlement transaction occurs. Federal and State governments generally share the administrative cost of operating the Food Stamp Program in equal portions.



The fees for interoperable food stamp transactions must be paid to the Contractor directly by the Federal government under an Interoperability Agreement that is signed by the State. See Section 3.8.2 for further description.

#### **1.14.5.6. FNS Waivers**

The following waivers of Federal requirements have been granted to the State by FNS. The State will request FNS to renew these waivers effective with the New Contract entered into as a result of this RFP. Terms used in these waivers will become clearer as Respondents review subsequent passages in the RFP.

- **Adjustment – No Hold** See: 7 CFR 274.12(g)(04)(ii)(B)  
Waives the "hold" requirements for retailer-initiated adjustments for debits to a customer's account. An alternate procedure has been approved, as follows:

The Contractor notifies the State of a debit adjustment request. The State sends a notice to the household with detailed information about the transaction in question and advises the household of the right to a fair hearing. If the household disputes the requested adjustment and requests a fair hearing within fifteen (15) calendar days, no further action is to be taken to adjust (debit) the household's account until the fair hearing decision is rendered. If the decision is rendered in favor of the State, collection activity will begin immediately against the current account balance. No debit adjustment will occur unless the account has a sufficient balance to complete the total amount of the adjustment by the end of the next calendar month. If the household does not request a fair hearing within fifteen (15) calendar days, the System automatically begins the collection process and pays the retailer. No partial adjustments are allowed.

- **PIN Selection via ARU** See: 7 CFR 274.12 (i)(03)(ii)c  
Waives certain security measures to encrypt the Personal Identification Number (PIN) at point of entry so that the State may allow EBT households to change the PIN via the Automated Response Unit (ARU). It also allows recipients to select a PIN through a single call to the ARU.
- **Retailer Participation – Point of Sale (POS) Deployment Threshold**  
See: 7 CFR 274.12(h)(04)  
Requires the State to provide POS equipment only to authorized



retailers with FS sales equal to or greater than \$100 per month. Retailers with less than \$100 in monthly redemptions may participate via the use of manual vouchers.

## **1.15. Miscellaneous Federal and State Requirements**

Respondents must ensure compliance with the following general statutory and regulatory requirements.

### **1.15.1. Lobbying**

In their Proposals, Respondents must certify that, to the best of their knowledge and belief:

- No Federally-appropriated funds have been or will be paid by or on behalf of the Contractor or subcontractor(s) to any person for influencing or attempting to influence an officer or employee of an agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with the awarding of any Federal Contract, the making of any Federal Grant, the making of any Federal Loan, the entering into of any Cooperative Agreement, and the extension, continuation, renewal, amendment, or modification of any Federal Contract, Grant, Loan, or Cooperative Agreement.
- If any funds other than Federally-appropriated funds have been paid or will be paid to any person for influencing an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with this Federal Contract, Grant, Loan, or Cooperative Agreement, the Respondent must complete and submit Standard Form LLL, "Disclosure Form to Report Lobbying", in accordance with its instructions.
- The Contractor must further ensure that the language of this certification will be included in all subcontracts at all tiers of subcontracting (including sub-grants and contracts under grants, loans, and cooperative agreements) and that all sub-recipients certify and disclose accordingly.

### **1.15.2. Suspension / Debarment**

Contractor must ensure that all subcontractors are neither excluded nor disqualified under the suspension and debarment rules found at 7CFR Part 3017.300. Contractors may ensure that subcontractors are neither excluded nor disqualified under the suspension and debarment rules by doing any of the following:



- Checking the Excluded Parties List System (EPLS) at [www.epls.gov](http://www.epls.gov)
- Collecting a certification that the entity is neither excluded nor disqualified. Since a Federal certification form is no longer available, the Contractor electing this method must devise its own form.
- Including a clause to this effect in a Subcontract Agreement expected to equal or exceed \$25,000.

### **1.15.3. Drug-Free Workplace (DFW) Rule**

The Contractor agrees to the following:

- Will make a good faith effort on a continuing basis to maintain a DFW. This includes taking specific actions described in 7CFR Part 3021.200 through 3021.230.
- Will identify all workplace locations where work under this Federal contract will be performed and inform supervisors at those locations of their responsibility to comply with DFW regulations. Since Federal regulations no longer require written certification of these efforts, suggested compliance measures include the following:
  - Notifying all subcontractors of the DFW rules
  - Making conforming changes to internal procedures, directives, and training materials, as needed.
  - Incorporating the new rules into subcontract monitoring practices.

### **1.15.4. Retention of Records**

The Contractor must grant continuous access of its records to the State, FNS, the Comptroller General of the United States, or any of their duly authorized representatives under the following conditions:

- When an audit, examination, excerpt, or transcription is required, the Contractor must supply its books, documents, papers, records, and any other items it is asked to supply.
- The Contracts must retain all such records for three (3) years after the State makes final payments under the Contract or after all other pending matters pertaining to the Contractor are closed, whichever is last.



#### **1.15.5. Clean Air Act**

The Contract awarded under this RFP and all subcontracts awarded under this Contract in excess of \$100,000 must comply with all applicable standards, orders, or requirements issued under Section 306 of the Clean Air Act, Section 508 of the Clean Water Act, Executive Order 11738, and Environmental Protection Agency (EPA) regulations which prohibit the use under nonexempt Federal contract, grants, or loans of facilities included on the EPA List of Violating Facilities. This provision requires that violations be reported to the FNS and the United States EPA Assistant Administrator for Enforcement.

#### **1.15.6. Energy Efficiency Mandatory Standards**

The Contract awarded under this RFP and all subcontracts awarded under this Contract must comply with mandatory standards and policies relating to energy efficiency, which are contained in the State energy conservation plan issued in compliance with the Federal Energy Policy and Conservation Act (PL 94-165).

#### **1.15.7. State Policies Concerning the Employment of Minority Business Subcontractors**

The State has an ongoing goal of placing five percent (5%) of its total purchasing dollars in certified minority-owned businesses. Authority for this Program is found in Wisconsin Statutes 15.107(2); 16.74(4); 16.755; and 560.036(2).

Certain guidelines and standards are required to be followed by State agencies and their contractors. The Contractor selected through this RFP process must become familiar with these requirements and follow them to the extent appropriate and feasible.

Background on this program and its requirements can be found at the following URL:

[http://www.doa.state.wi.us/section\\_detail.asp?linkcatid=46](http://www.doa.state.wi.us/section_detail.asp?linkcatid=46)

#### **1.15.8 Rights to Software and Other Works of Authorship**

The USDA reserves a royalty-free, nonexclusive, and irrevocable license to reproduce, publish, or otherwise use, and to authorize others to use for federal government purposes, any software and attendant documentation and all other original works of authorship specially developed under this Contract which are designed, developed, or installed with federal funds.



# SECTION 2

## PROJECT SCOPE AND MANAGEMENT



## **2.0. Overview**

Section 2 of this RFP provides Respondents with the requirements imposed by the State for the implementation and ongoing project management of EBT services to be provided by the Respondent eventually selected as the Contractor.

Hereinafter, the term “Respondent” will be used where specific information is called for in the Proposal. The term “Contractor”, however, will be used to refer to the entity selected to administer the State’s EBT Contract, as called for in this RFP. The two terms, “Respondent” and “Contractor”, are sometimes used in the same passage throughout this document to denote the context of the particular requirement. Respondents should keep these definitions in mind as RFP requirements are reviewed and Proposals are prepared.

To reiterate the requirement in Section 1.5: each numbered passage in Section 2 and Section 3 (other than those which are declarative in nature) must be addressed by the Respondent with a full and detailed narrative indicating how the Respondent would implement each requirement, including, when appropriate to the topic, a methodology for identifying and controlling risk factors. Responses must not simply be a restatement, concurrence, or simple agreement with the requirement of that particular section.

## **2.1. Contractor’s Qualifications and Organization**

The State requires that a Contractor possess the necessary qualifications, skills, and resources to provide quality EBT services to its clients. Previous experience in providing EBT services to agencies in other States, while desired, is not a requirement of this RFP. Regardless, the State is adamant that EBT services will continue unabated with minimal impact on its existing client and retailer constituency during the transition to a New Contract. In order to be considered as a viable EBT Contractor, Respondents must demonstrate in the Proposal their ability not only to provide the required EBT services over time but also to perform a timely and successful conversion of those services from the Current Contract.

### **2.1.1. Contractor’s and Subcontractors’ Experience**

The State is particularly interested in a Contractor that has substantial experience in developing, implementing, and managing financial systems such as EBT, Electronic Funds Transfer (EFT), financial network services, electronic transaction processing, and related activities. In totality, the Respondent’s experience, combined with that of any identified subcontractor(s), must demonstrate that the Respondent possesses the capability to successfully meet the requirements of this RFP. Therefore, Respondents’ Proposals must highlight their corporate capabilities, financial stability; and previous experience related to the requirements of this RFP.



Respondents' Proposals must also include the following:

- A detailed description of all relevant financial-system development, implementation, and operating experience undertaken within the last five (5) years, which demonstrates the Respondent's ability to satisfy the requirements of this RFP.
- A list of any current contracts or projects (including their unique schedules for implementation or transition activities) which may divert or dilute the Respondent's resources.
- A list of governmental or commercial customers for whom the Respondent has provided relevant financial services within the last ten (10) years. The Respondent must provide references (i.e., contact names and telephone numbers) from a minimum of three (3) current customers who can speak to the Respondent's relevant capabilities and qualifications.

### **2.1.2. Contractor's Capabilities**

Respondents' Proposals must include the following:

- Date the firm was established and ownership model.
- A list of prior (defined as any litigation settled between July 1, 2001 and July 1, 2006) and current (defined as yet unsettled) litigation and/or formal administrative protests or actions (e.g. notices of default, unsatisfactory performance, or any similar actions) related to the quality or performance of EBT, EFT, or related services provided to State, Federal, Local or Tribal government or to public or private entities of any organizational nature.
- A signed statement from the Respondent's parent company, where one exists, guaranteeing the Respondent's faithful performance under any Contract resulting from this RFP.

### **2.1.3. Organization**

Providing the EBT Services called for in this RFP will require the coordination of work efforts on both the Contractor's and the State's parts. The creative and/or adaptive work activities in design, development, transition, and operation of the System envisioned in this RFP will hereinafter be referred to as the EBT Project, or simply the "Project". See Section 2.3. for requirements on managing the Project.



Respondents' Proposals must highlight their organizational structure, including the employment of significant actual or proposed subcontractors. Respondents must also include in the Proposal an Organizational Chart for the Project, defining how the Respondent intends to staff and manage the Project as well as the Project's relationship to the organization as a whole. The Proposal will delineate the organization and composition of the Project Management Team as well as describe the ways in which the Project Management Team will ensure coordination and communication both internally and among all subcontractors.

Upon award of a Contract, the Contractor, at the State's request, must additionally provide reasonable assistance in establishing and maintaining Communication Liaisons and effective coordination with internal and external stakeholder groups, governmental and community organizations and committees, and any entities demonstrating a legitimate interest in the performance or objectives of the Contract.

## **2.2. Proposed Key Personnel**

The Contractor must provide a Project Team to be headed by an overall Project Manager, whose responsibility is to carry out the tasks described in this RFP. The Project Manager must meet the following requirements:

- Three (3) years of project management experience
- A record of successful supervision within the last five (5) years of the implementation and/or operation of an EBT or comparable System of similar size and complexity as that defined in this RFP.

The résumé of the proposed Project Manager must be included in the Proposal. The Project Manager must begin work on the Project on the effective date of the Contract and continue until the State verifies in writing that the current EBT System has been successfully converted from the Current Contract to the New Contract.

Following successful implementation, the Contractor must designate an EBT Contract Manager. This Manager may, at the Contractor's discretion, be a different person from that chosen as the Project Manager. The Contract Manager must maintain regular and frequent contact with the State's EBT Contract Administrator (hereinafter referred to as the EBT Contract Administrator) and designated State staff members. His or her appointment and continuing assignment are subject to State approval. The State retains the right to require a replacement of personnel in this position for any legitimate performance reason. The replacement will be subject to State approval. Other key Contractor personnel may also be subject to the same review and approval protocol of the State.



The following must be clearly stated in the Proposal:

- A description of the team to be assigned to the Project. This Project Team documentation package must include: names and résumés of all key personnel, title(s) of position(s) held on the Project Team, responsibilities to the Project Team, percentages of time spent on the Project, and identification of positions to be hired upon Contract award. If the design of the Team is expected to change during different phases of the Project, this, too, must be described.
- A description of the extent of the decision-making authority assigned by the organization to the Project Manager in relation to this Project.
- A management structure that ensures adequate executive oversight and direction of the Project Manager. In this regard, Respondents must identify the corporate officer(s) to be contacted, should major problems arise during the performance of the Contract. The corporate contact person(s) must return any and all telephone calls from the State's EBT Contract Administrator within twenty-four (24) hours of receipt.
- A description of the lines of authority and communication expected to exist among the project team members (e.g. a functional organizational chart covering the EBT Project and the current or developing System).

The Contractor must assign the appropriate number and composition of project staff at all times during the Project to ensure the successful transition and operation of the System. Furthermore, the Contractor must provide a plan whereby the Project Manager or designee must be available on-site at the State's facilities within twenty-four (24) hours of the State's request at no cost to the State. The State expects the Project Manager or designee to be present at the State's facilities on a regular basis for scheduled status/update meetings as well as during critical time periods, such as System testing and database conversion. The final Project Plan must determine, as closely as possible, the actual amount of time the Project Manager or designee will be needed at State facilities.

Interviews of key personnel may be conducted prior to formal award of the Contract in order to determine acceptability by the State. If there is a change in key personnel after the formal award is made, the Contractor must present the replacement to the State, and the State will have right of refusal privileges. If any of the proposed key personnel or project managers is not currently in the employ of the Respondent, a letter of intent to accept employment for each key position must be included in the Proposal.



### **2.2.1. Personnel Changes**

The following protocol will apply to personnel changes in the Contractor's staffing complement:

- The State reserves the right to accept or reject the Contractor's personnel assignments. That right, however, will not be unreasonably or unlawfully invoked.
- The Contractor must not divert key personnel for any period of time, except in accordance with the procedures identified in this section. The Contractor must provide a notice of proposed diversion or replacement to the EBT Contract Administrator at least thirty (30) business days in advance together with the name(s) and qualifications of the person(s) who will take the place of the diverted or replaced staff. At least twenty (20) business days before the proposed diversion or replacement, the EBT Contract Administrator will notify the Contractor whether the proposed diversion or replacement is approved or rejected, and if rejected, will provide the reason(s) for such rejection.
- "Divert" or "diversion" is defined as the transfer of personnel by the Contractor to another assignment under the control of the Contractor and thus excludes the following: resignation, death, disablement, or dismissal for cause.
- Replacement staff must be on-site at least ten (10) business days prior to the departure date of the person being replaced. The Contractor must provide the State with reasonable access to any staff diverted by the Contractor.
- Diverting key personnel without providing thirty (30) business days' advance notice to the State would cause damage to the State in an amount that would be difficult to determine. Therefore, any such diversion of Contractor staff will result in liquidated damages in the amount of \$1,000 per business day for each such offense. The damages will begin on the first business day of the diversion and will continue until the Contractor's replacement is accepted by the State and begins work or until a thirty (30) business day period from the notice of diversion has expired, whichever is sooner. The maximum assessable damages under this provision will be thirty thousand dollars (\$30,000).
- Replacement of key personnel who have terminated employment must be with persons of substantially equal or better ability and qualifications. The State will have the right to conduct individual interviews of proposed replacements for key personnel. The State must approve all proposed



replacement personnel in writing before such personnel can be hired. The State reserves the right to reject any replacements of key personnel provided. That right, however, will not be unreasonably or unlawfully invoked.

- Any Contract staff reasonably determined by the State to be non-cooperative, inept, incompetent, or otherwise unacceptable must be removed by the Contractor after such problematic behavior has been documented by the State and the Contractor has been given a minimum of fifteen (15) business days to remedy the problems identified, but has failed to do so. In the event that an individual has been removed pursuant to a request from the State, the Contractor will have thirty (30) business days in which to fill the vacancy with another employee whose experience and skills, as indicated by the State's written consent, meet the approval of the State. Such approval by the State will not be unreasonably withheld or delayed.

### **2.2.2. Subcontractor Qualifications and Experience**

For the purposes of this RFP, a Subcontractor is defined as an entity under Contract or other legally binding agreement with the Contractor selected to provide deliverable(s) specifically defined and already required in this RFP. Respondents may subcontract the performance of any element of the required services to other entities or third parties. If the total annualized value of a single proposed subcontract award is greater than ten percent (10%) of the annualized value of the base Contract with the State, the Contractor must submit the proposed subcontract to the State for prior review and approval before entering into said subcontract.

Responsibility for the performance of subcontractors rests solely with the Contractor. If engaged, subcontractors must be made aware of all requirements specified in this RFP and in the subsequent Contract between the State and the Contractor. Furthermore, the Contractor must ensure that subcontractors adhere to all requirements specified in this RFP and in the Contract.

If Respondents propose to award one or more subcontracts that exceed the ten percent (10%) limitation described above, Respondents must also include in their Proposals an explanation and documentation of the relationship(s) between/among their organization and all proposed subcontractors. If subcontracts already exist, copies must be submitted as part of the Proposal. Further, organizational charts as well as a description of independent subcontractor duties and duties shared among the parties must be provided in Respondents' Proposals. If such specific details are not fully known at the time of submission of the Proposal, a general statement describing a subcontracting plan must be provided in the Proposal with more specific information being provided in subsequent Contract negotiation phases.



Once the Contract is negotiated between the State and the Contractor, a protocol will be imposed on the Contractor covering review and approval of subcontracts meeting or exceeding the ten percent (10%) limitation described above. Execution of these subcontracts must require written notification to and prior approval by the State, as described below.

- The Contractor must submit draft copies of the proposed subcontract (excluding pricing and proprietary information) no later than forty-five (45) business days before the proposed starting date of the subcontract.
- Upon receipt, the State will have twenty (20) business days to review such subcontract and provide in writing to the Contractor any concerns regarding any aspect of the subcontract which, in the State's judgment, could affect the Contractor's ability to meet its obligations to the State. A non-response from the State within the twenty (20) business day period will constitute passive approval of the Contractor's proposed subcontract.
- If the State presents concerns to the Contractor, the Contractor must address each concern in writing to the State no later than twenty (20) business days from receipt of the State's concerns and must not enter into a subcontract until the EBT Contract Administrator forwards approval of the subcontract in writing to the Contractor.
- After award of the subcontract, the State may rescind its approval of that subcontract for reasonable cause within a timeframe to be negotiated between the State and the Contractor.

The State reserves the right to waive the above requirements if, in its judgment, the subcontract in question is not of sufficient scope to warrant a Review Process. In such an instance, the State will notify the Contractor in writing that the Review and Approval Process has been waived.

The Contractor is responsible and liable for the proper performance and the quality of any work performed under all subcontracts, regardless of relative dollar value within the main Contract. In addition, the Contractor's use of any subcontractor will not void the Contractor's responsibility to guarantee its work. In no event will the existence of a subcontract serve to release or reduce the liability of the Contractor to the State for any breach in the performance of the Contractor's obligations.

The Contractor must insert the following language verbatim into all of its subcontracts:

- "Access to (the name of subcontractor's) records must be provided to State of Wisconsin auditors or its agents to the extent necessary to conduct audits and performance reviews."



- “This agreement is a subcontract under the terms of a prime Contract with the State of Wisconsin, Department of Health and Family Services. All representations and warranties will inure to the benefit of the State of Wisconsin, Department of Health and Family Services.”
- “Termination of the Contract between the State and (Contractor selected) will create no continuing obligation on the State’s part with respect to this agreement.”

On an annual basis, the Contractor must provide the State with a listing of all subcontracts into which the Contractor has entered pertaining to work performed under the Contract. This listing must indicate the subcontractor(s)’ name and primary function associated with requirements in this RFP and ensuing Contract.

The State may, on an annual basis and for reasonable cause, request that the Contractor terminate services or functions provided by any specific subcontractor and replace one or more subcontractors with others. The State may require that the Contractor competitively acquire replacement services, or it may choose to acquire such services itself, using the State’s procurement process. The State will provide six (6) months’ notice in advance of any proposed subcontract termination date. The starting date for the new subcontract must be negotiated between the State and the Contractor.

## **2.3. Project Management**

The State envisions an EBT Project consisting of four (4) generally sequential phases, although there may be some overlap within and among these phases. The four phases as described will apply regardless of whether the Contract remains with the Current Contractor or moves to a New Contractor as a result of this RFP Process. The nature of each of these phases, however, may vary, depending on which of these two possibilities is realized. Each phase is listed below, followed by the Section Number of this RFP that provides detailed information about the phase in question. In addition, Attachment E of this RFP displays the information in table format.

- Design Phase (Section 2.3.3.)
- Development Phase (Section 2.3.4.)
- Transition Phase (Section 2.3.5.)
- Operations Phase (Section 2.3.6.)

### **2.3.1. Deliverables**

Consistent with provisions in this RFP, the Contractor must describe the content of and define the schedule for each deliverable as part of the Project Work Plan (See Section 2.3.2.). All Contract deliverables must be completed by the Contractor and submitted to the State within the time frames specified for each deliverable in the Project Work Plan,



in accordance with the specifications set forth in Attachment D, “Performance Standards”, of this RFP.

#### **2.3.1.1. Submittal of Deliverables**

The Contractor and the State must agree upon the content of and the schedule for the submittal and acceptance of key deliverables. The Project Work Plan schedule must reflect a reasonable time period for the State to review and approve all draft and final documents and deliverables.

If applicable, the Contractor is required to indicate in its proposal the intent to modify a deliverable accepted previously by another state with only minor revisions, i.e., changing the name of the State. Respondents must also indicate in their Proposals the intent to submit for State approval consolidated or otherwise modified deliverables (e.g., consolidation of two deliverables into one).

#### **2.3.1.2. Acceptance of Deliverables**

The State’s EBT Contract Administrator will issue a written Deliverable Acceptance Notice to the Contractor at the end of the review period, if a deliverable is determined to be acceptable and approved by the State. The State will review and act upon a deliverable within the time period established in the Project Work Plan.

#### **2.3.1.3. Unacceptable Deliverables**

Should the State determine the deliverable to be unacceptable, the Contract Administrator will issue a written Deliverable Disapproval Notice to the Contractor that describes the nature of the deficiencies. This disapproval will be issued to the Contractor prior to the end of the draft or final deliverable review period.

The Contractor must correct all deficiencies and resubmit the deliverable within ten (10) business days of receipt of the Disapproval Notice. If the Contractor fails to submit an acceptable deliverable by the end of this period, the Contractor may be subject to the remedies specified in Attachment D. Should the State invoke a remedy, the EBT Contract Administrator will notify the Contractor in writing, again specifying therein the deficiencies that render the document unacceptable.



#### **2.3.1.4. Remedies for Deliverables**

The Contractor's failure to successfully complete each deliverable within the timeframes specified in the Project Work Plan will result in the State taking specific remedial action as specified in Attachment D.

#### **2.3.2. Project Work Plan**

Because of the many possible factors affecting the timeline required for the design, development, and transition to the new Contract, the State will not prescribe a set period of time for any of the respective phases. Within each phase, the Respondent must define the anticipated timelines and estimated completion dates for the project deliverables and describe their methodology for identifying, monitoring, and controlling risk factors affecting the deliverable. This document will be referred to as the Project Work Plan. Following the signing of the Contract, the transition from the Current Contract to the New Contract must be completed before the Current Contract terminates and must follow a timetable approved by the State.

The Respondent's Project Work Plan must include, at a minimum, a schedule of all tasks and deliverables required throughout all four phases of the Project. The plan must identify the individual tasks and deliverables by Project Phase, as defined below. The Plan must further identify all critical path and dependency tasks and delineate the responsibilities of the Contractor, the State, and Federal agencies. The Contractor must submit a Preliminary Project Work Plan no later than fifteen (15) business days after signing the Contract. The State will review and comment on the plan within ten (10) business days. The Final Project Work Plan must be provided to the State within ten (10) business days of receipt of the State's comments on the draft document.

The Project Work Plan should be developed on the premise that the Contractor is responsible to the State to provide a quality product and services through the use of effective quality assurance and the application of quality control standards and procedures. Respondents must fully describe their proposed quality management plan, addressing all features and performance measures considered necessary when providing the EBT System and services as outlined in this RFP. Where feasible, Respondents shall describe in their Proposals any existing or proposed policies, procedures, and other efforts to ensure quality, plus an assurance of a commitment to a cooperative effort with State staff and with subcontractors in meeting all requirements outlined in this RFP.

Respondents must incorporate a draft version of the Preliminary Project Work Plan in their Proposals.

#### **2.3.3. Design Phase**

The Design Phase is a development process resulting in the creation of a number of documents discussed in this section. This Phase will commence with the signing of the Contract and will



continue for the timeframe, mutually agreed upon by the State and the Contractor, identified in the Respondent's Preliminary Project Work Plan. All deliverables identified in the Project Work Plan are subject to State review and approval. The Contractor must allow an appropriate amount of time for the State to review and comment upon the deliverables.

#### **2.3.3.1. Transition Plan**

The Contractor will be responsible for the migration of the EBT Account Database and the retailer database from the System functioning under the Current Contract to the System proposed under the New Contract. The Contractor must prepare a Transition Plan that covers each of the following activities in detail:

- Migration of retailers and transaction acquirers / third party processors (TPPs)
- Point of Sale (POS) device deployment and installation
- Migration of EBT Client Database
- EBT Card issuance and replacement.

The Transition Plan must address the processes to be used for the migration, the testing of these processes, and contingency plans for problems and issues that may occur during the migration. The Transition Plan must also address the verification and validation of the migration process, in particular the validation of client account balances that are converted to the New Contract. The Contractor must submit the Final Transition Plan no later than four (4) months after Contract signing.

#### **2.3.3.2. Functional Design Document**

This document must, at a minimum, provide an overview of the range of functions performed by the System and a description of the operating environment, procedures, and workflow of the System. The Contractor must submit the Final Functional Design Document no later than three (3) months after Contract signing.

#### **2.3.3.3. Detailed Design Document**

The Detailed Design Document must describe the total System configuration, including System hardware, functionality, file layouts, message and file flows, ARU Scripts, data elements, System interfaces, settlement and reconciliation functions, and the System Security Plan. The Contractor must produce this Document in accordance with the timeline and details approved in the Project Workplan.



#### **2.3.3.4. Life-Cycle Testing Plan**

The Contractor must provide a System Life Cycle Testing Plan. The premise of the Life Cycle Testing approach is that any changes made, whether they be to the Contractor's system or the State's system, should be properly tested prior to being introduced into a production environment. This plan must include, at a minimum, the tests identified in Section 2.3.3.5., System Test Plans, as applicable for each of the project's four phases. This plan must further define the extent of integration testing that will be conducted to ensure that all systems properly interact and operate as designed. The Contractor must produce the final Life-Cycle Test Plan in accordance with the timeline and details approved in the Project Workplan.

#### **2.3.3.5. System Test Plans**

The Contractor must develop System Test Plans during the Design Phase. These Test Plans must, at a minimum, outline the test purpose, methodology, environment, and approval rating system. Test Plans must be developed for the following:

- Functional Demonstration (See Section 2.3.4.1.1.)
- System Interface Test. (2.3.4.1.2.)
- System Acceptance Test (See Section 2.3.4.1.3.)
- System and Network Capacity Test (See Section 2.3.4.1.4.)
- ARU Test (See Section 2.3.4.1.5.)

The final System Test Plans must be produced in accordance with the timeline and details approved in the Project Workplan.

#### **2.3.3.6. Disaster Recovery Plans**

The Contractor must evaluate and delineate the types of service interruptions that may affect the System's operations and, therefore, require the use of a backup and recovery process. For each potential type of interruption, the Contractor must, at a minimum, detail the steps that will be taken to survive and recover from the interruption. The Plan must be designed to ensure that benefits continue to be accessible to clients. In addition, the Contractor must outline the resources committed to each proposed contingency plan (e.g, people, systems, telephone lines, and operational sites) and indicate whether the plan has been tested under real or simulated conditions. The final Disaster Recovery Plan must be submitted no later than six (6) months after Contract signing. (See Section 3.14 for requirements.)



#### **2.3.3.7. System Security Plan**

The Contractor must prepare a System Security Plan, as further discussed in Section 3.15. The Contractor must submit the final System Security Plan no later than six (6) months after Contract signing.

#### **2.3.3.8. Comprehensive Training Plan**

The Contractor must prepare and submit a Comprehensive Training Plan that identifies the proposed deadlines and supportive tasks for the planning, design, development, production and distribution of all training materials. The training plan must construct a timeline for creation of the deliverables, as noted in Section 3.5, and the timeframe for training the State, the trainers of local agency staff, and retailers. The plan must outline deliverable dates of training products with sufficient time allowed for State review and approval.

#### **2.3.3.9. Retailer and TPP Agreements**

The Contractor must submit a copy of the proposed version of its retailer and TPP agreements for review and approval by the State and FNS. Such submission must be at least six (6) weeks prior to the start of the solicitation and negotiation of these Contracts.

### **2.3.4. Development Phase**

The Development Phase will commence after completion of the Design Phase and must be completed no later than nine (9) months following the Contract signing date. During this phase of the Project, the Contractor must configure and test the System according to the specifications and timeline defined and agreed upon during the Design Phase. The Contractor must complete System testing as well as provide the final manuals and other training materials during the Development Phase.

#### **2.3.4.1. System Testing**

System testing must be performed on all components and functional elements of the EBT application system before final delivery of the System to the State. Upon completion and approval of the design documents, the Contractor must update the System Test Plan as appropriate. The Contractor must provide System test scripts detailing step-by-step instructions on the actual test and System functions to be demonstrated. Test scripts must also describe the desired System outcomes compared to test results. The Contractor must be responsible for developing and controlling test data.



Required System tests and demonstrations to be conducted by the Contractor during the Development Phase include those described in sections 2.3.4.1.1 through 2.3.4.1.7:

#### **2.3.4.1.1. Functional Demonstration**

The Functional Demonstration must provide State and Federal representatives the opportunity to review and observe planned System operations. The Contractor must prepare a report of the Demonstration results, including any necessary System modifications that were identified. To ensure that the design is proceeding according to the expectations of the State and the Contractor, the Functional Demonstration should occur as early as possible in the Development Phase and must be conducted no later than six (6) weeks prior to performance of the System Acceptance Test.

#### **2.3.4.1.2. Interface Testing**

A testing process must be initiated between the State's EBT Interface and the Contractor's EBT System to ensure that all files sent between the two systems are properly received, accepted, and processed no later than two (2) months prior to the Functional Demonstration. The tests must include, at a minimum: rejection of duplicate files; rejection of duplicate records; detection and correction of transmission errors; rejection of incorrect headers or footers; and adequate return files.

#### **2.3.4.1.3. System Acceptance Test**

The System Acceptance Test provides both State and Federal representatives the opportunity to test the Contractor's EBT System functionality and to ensure compliance with State and Federal System design requirements. This test, which must include "what if" situations, must examine at least the following: functional requirements, security, recovery, and system controls. In addition, as part of System Acceptance testing, the Contractor must demonstrate the methods and processes that will be used both to perform daily reconciliations of the Contractor's system with the State's system and to process financial settlements. During the formal test script portion of the acceptance test, testing representatives must follow detailed test scripts developed by the Contractor. The test scripts must cover all facets of the System's operations and test all of the System processing options and environmental conditions (e.g., entry of erroneous data, and POS hardware and communications failure).

The ad hoc, or "what if," portion of the acceptance test provides State and Federal representatives the opportunity to introduce various transaction sets and sequences that have not been included in the test scripts. The objective of these tests is to



challenge the System's operations, capabilities, and design as well as to identify any areas of potential weakness or failure.

This testing process may be held at the Contractor's processing site or at the State's facilities (or both) as determined by the State. In either case, the Contractor must absorb the cost of sending their representatives to the State and/or reimbursing the State for cost incurred in sending State staff to the Contractor's facilities.

#### **2.3.4.1.4. Performance (Stress) Testing**

The purpose of this test is to ensure that there is sufficient capacity within the System to handle the expected transaction volume. Results of the stress test must be used to formulate a System capacity model that demonstrates the hardware and software requirements and configurations necessary for the System to accommodate anticipated transaction volumes.

The Contractor may, at its discretion, choose to use current production data in order to develop a System capacity model that demonstrates ability to handle the anticipated transaction volumes. If Respondents anticipate utilizing this option, they must provide a description in the draft Project Work Plan of how the modeling will be performed and how the results of the modeling exercise will be reported to the State.

#### **2.3.4.1.5. ARU Testing**

The Automated Response Unit (ARU) system infrastructure, including scripts, must be tested to ensure that it properly accepts, processes, and transfers both retailer and client calls per System requirements and within the specifications defined in Section 3.7.1.1. and Attachment D.

#### **2.3.4.1.6. Transition Testing**

The Contractor must demonstrate to the State the process of converting the System from the Current Contract to the New Contract. The Transition Test must include a validation of conversion results and the performance of test transactions against the converted EBT Account Database. Test transactions performed against the converted database must include both client transactions and administrative transactions (e.g., client account setups and card replacement transactions). Refer to the EBT System Transition Guide located at <http://dhfs.state.wi.us/foodshare/ebt/default.htm> for additional FNS requirements.



#### **2.3.4.1.7 Live Demonstration**

A Live Demonstration of the Contractor's System is not required.

#### **2.3.4.2. Test Reports**

The Contractor must provide reports describing the results of each test performed and indicating whether retesting is required to satisfy the test objectives. The test reports must also describe the intended scope and results of the tests and indicate whether any System modifications have been identified as necessary for the resolution of System errors and deficiencies found during testing. The Contractor must submit interim test reports no later than two (2) weeks following the completion of the respective test being performed. Final System Test Reports must be provided no later than nine (9) months after Contract signing.

#### **2.3.4.3. Updates to Detailed Design**

The Contractor must revise the Detailed Design Document to reflect any System modifications identified through and implemented as a result of the preceding series of System Tests. If revisions are required, the Contractor must submit the updated Detailed Design Document no later than one (1) month following the completion of the System testing process described in Section 2.3.4.1. and associated subtopics.

#### **2.3.4.4. System Operations/Interface Procedures Manual**

The Contractor must produce a manual describing Systems Operations/Interface Procedures that will include, but need not be limited to:

- Batch Files and the times of transmission
- Administrative Terminal configuration
- Problem Resolution and Escalation Protocol
- Batch Maintenance Record Formats.

The Problem Resolution and Escalation Protocol must define the process by which the State would report System and operational problems to the Contractor and the process by which these problems would be handled in the Contractor's environment, resolved, and reported back to the State as resolved. The protocol must include a methodology for identifying the severity of the problem relative to the System as a whole as well as the expected timeframes for the resolution of the problem.



#### **2.3.4.5. Reports Manual**

The Contractor must produce a Reports Manual describing all standard reports to be generated. The Reports Manual must also provide a brief description of the data files provided to the State for internal report generation. The Contractor must submit the final Reports Manual no later than nine (9) months after Contract signing.

#### **2.3.4.6. Settlement/Reconciliation Manual**

The Contractor must produce a Settlement/Reconciliation Manual that provides the State with procedures for performing daily reconciliations of the System, as defined in 7 CFR 274.12(k). Additionally, this Manual must provide direction, consistent with the most recent FNS reconciliation guidance to the State in performing these daily reconciliations and should identify the specific reports that are required for settlement and reconciliation of the System. Refer to: <http://dhfs.state.wi.us/foodshare/ebt/default.htm> for the most recent directives on this subject.

#### **2.3.4.7. Administrative Terminal Manual**

The Contractor must produce an Administrative Terminal Manual that provides guidance and procedures for State and local agency staff relative to the functionality of the Administrative Terminal. For Administrative Terminal functionality requirements, see Section 3.10 and its subsections.

#### **2.3.4.8. Customer Service Manual**

The Contractor must produce a Customer Service Manual that provides guidance and procedures for State and local agency staff regarding the functions and uses of both the Contractor's Client Customer Service Center (CCSC) and Retailer Customer Service Center (RCSC). At its discretion, the Contractor may produce two distinct manuals covering the two types of customer service. For requirements regarding Client Customer Service and Retailer Customer Service, see Section 3.7.1 and 3.7.2 respectively.

### **2.3.5. Transition Phase**

The Transition Phase must be implemented and will consist of the activities required to convert the State's EBT processing from the Current Contract to the New Contract. Certain of the activities covered in this Transition Phase may be required even if the Contract does not transfer to a New Contractor as a result of this RFP process. All Respondents must review and address the requirements in this section, as applicable, regardless of their status in relation to the Current Contract. The activities taking place during the Transition Phase must follow the process defined in the State- and FNS-approved Transition Plan submitted during the Design Phase.



The State anticipates that some of the Transition Phase activities, specifically the EBT-only retailer conversion, will begin no less than two (2) months prior to the end of the Development Phase. However, none of the database conversion activities will occur until the development activities have been completed, and specifically the System Testing has been completed and a sign-off has been received from the State. This point must be specifically acknowledged in the proposed Project Work Plan. The activities in the Transition Phase consist of the following:

- Retailer Contracting
- EBT-Only Retailer Conversion
- Transaction History Conversion (begins two (2) weeks prior to EBT Database Conversion)
- EBT Database Conversion
- Conversion of TPPs and Direct Connect Retailers
- Conversion of Customer Service toll-free telephone line
- Transaction authorization from New Contractor's System (See Section 3.8, Transaction Processing).

#### **2.3.6. Operations Phase**

The Operations Phase will begin after the EBT Database has been converted from the Current Contract to the New Contract and will continue through the term of the Contract. During the Operations Phase, the Contractor must maintain ongoing communication with the State on EBT operations with immediate notification to the State of any issues or System problems. The Contractor's Project Manager must serve as the contact person for ongoing communication with the State regarding all System and operational issues.

The ongoing communication required of the Contractor includes: a monthly status report containing unresolved and resolved issues; an identification and proposed mitigation of risk factors affecting service delivery; a monthly status meeting or, at the State's discretion, a conference call between the Contractor and the State; and other status reports, meetings, or conference calls requested by the State. Of particular importance is the Contractor's advance notification of scheduled System downtime.

##### **2.3.6.1. System Documentation Library**

As part of core Contract requirements, the Contractor must maintain and update all System Documentation and manuals created during the Design, Development, and



Transition Phases to reflect any and all changes from the established Baseline, including Remedial, Enhancing, and Conforming Changes. System Documentation includes:

- Functional Design Document (See Section 2.3.3.2.)
- Detailed Design Document (See Section 2.3.3.3.)
- Disaster Recovery Plans, including Escalation Protocols (See Section 2.3.3.6.)
- System Security Plan (See Section 2.3.3.7.)
- Comprehensive Training Plan (See Section 2.3.3.8.)
- All ARU Application Scripts (See Section 3.7.1.1.)
- Reports Manual (See Section 2.3.4.5.)
- Settlement / Reconciliation Manual (See Section 2.3.4.6.)
- Administrative Terminal Manual (See Section 2.3.4.7.)
- Customer Service Manual (See Section 2.3.4.8.).

As part of this requirement, the Contractor must provide electronic copies in Microsoft Word format, or other electronic format, as prescribed by the State, of all System Documentation. In addition, Respondents are encouraged to recommend for consideration any approach that may provide on-line access to updates of the System Documentation.

Throughout the life of the Contract, the Contractor must provide updated Manuals to the State within twenty (20) business days of modification. Updated manuals must be provided to the State prior to introducing the modifications into the production environment.

### **2.3.6.2. Change Management**

A formal Change Management protocol is critical to the State and the Contractor. The Contractor must develop a Change Management Plan that defines roles and responsibilities and assures the State that no changes to the System will be undertaken without the State's prior knowledge and approval. This section contains the State's requirements for Change Management.



Subsequent to acceptance of the Detailed Design Document and extending throughout the term of the Contract, all Contractor design changes, corrective actions, or System enhancements must be communicated to the State through a formal written process. The Contractor must provide the State with timely pre-notification of those changes that have an impact on the State, including any changes made by other entities that could have an impact on the State's system. The Contractor must maintain a mechanism to track these types of changes or modifications by software version, source, and reason, if applicable. The State reserves the right to formalize Contractor-initiated changes or enhancements in a Contract Amendment.

When the Contractor delivers a newly-modified software version to the State for testing, the Contractor must provide documentation to the State that the Contractor has modified the appropriate software version. This applies to all changes, regardless of type, or whether initiated by the Contractor or by the State.

If benefits, such as System enhancements or other System changes determined to be advantageous to the State, are developed by the Contractor for any other State or political subdivision being provided similar services as the State, the same benefits must be extended to the State of Wisconsin at no additional cost. Respondents must describe their approach to providing Wisconsin with information concerning EBT System changes and enhancements implemented in other states.

#### **2.3.6.2.1. Design Issues**

Design issues are questions or concerns that arise before the Program/System Design Baseline is frozen and are a part of the development process. Specifically, design issues are addressed and resolved prior to finalizing the System Design.

Design issues are specific in nature and should be identified and addressed throughout the development of general and detailed System specifications and program specifications and procedures for EBT users (e.g., authorized retailers, providers, financial institutions, local agencies, and State offices). Design issues must be recorded and tracked on an Issue Log.

Only those issues presented by the State's EBT Contract Administrator or designee are to be addressed by the Contractor. Requests received by the Contractor from other State staff are to be directed to the State's EBT Contract Administrator for consideration and action. If the Contractor has issues for State consideration, such issues are to be presented to the State's EBT Contract Administrator or designee for consideration and action. Only those modifications approved by the State's EBT Contract Administrator or designee will be acted upon by the Contractor.



#### **2.3.6.2.2. Program Baseline**

The Baseline for the State's EBT program must initially be established through the Contract and any amendments; this RFP; the selected Contractor's response to the RFP; other documented commitments, statements, or memoranda of understanding; and all addenda, documented questions and answers, and Federal waivers.

After the Initial Baseline is established, any modifications to the System design or functionality must be defined as a Change and must be documented and tracked by the Contractor, as described in Section 2.3.6.2. As the program proceeds, the Baseline will expand to include: the finalized Work Plan, General and Detailed Design Documents, Training and Disaster Plans, and documentation from the actual transition. The Baseline must be established upon acceptance of the transition and approval of all Design, Development, and Transition Phase deliverables.

After the Baseline has been established, the State will identify the person or persons to whom all Change Requests must be directed. If more than one person is identified by the State, Change Requests will not be considered valid unless directed to all persons identified by the State. Further, the State EBT Contract Administrator will approve or deny all Change Requests. No changes will be made by the Contractor without the prior written approval of the EBT Contract Administrator.

#### **2.3.6.2.3. Changes to the Program Baseline**

Change Requests serve to modify or enhance the baseline System, procedures, or application programs. Such requests alter the initial scope of the program or add/modify functionality after the System design has been baselined.

Changes are categorized as Remedial, Enhancing, or Conforming. The definition of each of these three types of changes is provided in the individual sections below. Remedial Changes are not changes to the baseline and must not result in additional costs to the State. Further, the following types of modifications will not be defined as changes to the Program Baseline because they do not alter the basic scope or functionality of the State's EBT System. Therefore, they must not result in any additional cost to the State, but must be included as part of the Cost Per Case Month (CPCM) fee structure:

- Parameter and reference table changes. These include, but are not limited to the addition or modification of local agency office information, program types, aging criteria, reporting thresholds, and any other variables coded as table values or flexible numeric ranges. Such modifications must be limited to four (4)



occurrences in a calendar year. Parameter or reference table changes not utilized in a calendar year will be carried forward for one year with a maximum of eight (8) changes in a calendar year.

- Federally mandated changes in requirements for the collection and interchange of data directly between the Contractor and the Federal agency or its designees. These may include new or revised file formats, description of record contents, transmission methods, timing and frequency of current files such as Account Management Agent (AMA), Retailer EBT Data Exchange (REDE), Anti-Fraud Locator for EBT Retailer Transactions (ALERT), and food stamp redemptions as well as other future data collection needs that may be identified.

Other changes requested by the State and mutually agreed upon between the State and the Contractor, including terms and conditions or the use of State-allocated hours and fee structure(s), if any, may result in additional costs to the State, providing they are negotiated and agreed to.

All three categories of Changes must be fully tested and approved by the State before being put into production.

#### **2.3.6.2.4. Remedial Changes**

Defined: Changes needed to make the System perform or function in the way it was designed; such changes will be made immediately. Either the State or the Contractor may identify the need for a Remedial Change.

If the Contractor identifies the problem, the Contractor must notify the State in writing within five (5) business days of identifying the problem. The Contractor's written notification of a problem must describe the problem, state the Contractor's intent to initiate a Remedial Change, and propose an effective date for the change. The State will respond to the Contractor's notification within ten (10) business days. If the Change requires State resources, the State reserves the right to modify the date of the Change proposed by the Contractor.

If the State identifies the problem, the State will immediately notify the Contractor. The Contractor will then have five (5) business days to notify the State in writing of the Contractor's proposed solution and associated timeframe for implementing the Change.

Under both contingencies, the Contractor must collaborate with the State to ensure, through testing, that a Remedial Change will not adversely affect State EBT System functionalities or interface with any other State systems.



#### **2.3.6.2.5. Enhancing Changes**

Defined: Changes that are not Remedial or Conforming Changes. These include changes that may enhance performance; provide new functionality; or improve cost-effectiveness, efficiency, ongoing operation, and/or program maintenance. Enhancing Changes may be initiated by either the State or the Contractor.

The process for requesting and implementing these Enhancing Changes is described in Sections 2.3.6.2.7. through 2.3.6.2.11.

#### **2.3.6.2.6. Conforming Changes**

Defined: Changes needed to adapt the System to changes in requirements that result from State legislative, policy, or program changes; Federal regulation or Federally mandated changes; and changes to the Quest Operating Rules.

The process for requesting and implementing these Conforming Changes is described in Sections 2.3.6.2.7. through 2.3.6.2.11.

#### **2.3.6.2.7. Change Requests Initiated by the State**

Change Orders initiated by the State for modifications to the Program Baseline for Enhancing or Conforming Changes must be initiated through the use of a Wisconsin EBT Change Request Form. The State will forward a signed Form to the Contractor's designee for analysis of potential impacts on existing System processes, other schedule changes, resources, hours and/or costs, and a preliminary timeline for implementation of the Change or a projected date by which the Change would be implemented.

The Contractor must return the Form and the results of the analysis to the State's EBT Contract Administrator within ten (10) business days of receipt. If the State chooses to formally request the change, the approved Change Request Form will be signed and dated by the State's EBT Contract Administrator and forwarded to the Contractor. The Contractor must not begin work on a Change Request until this written approval is received from the State. The Contractor must submit a draft of the development and implementation schedule of work related to the Change Request within thirty (30) calendar days of receipt of the approved and signed Change Request. The State will provide written comments on this draft within ten (10) business days. The final draft of the schedule must be returned to the State within ten (10) business days. If the schedule is satisfactory to the State, the State, within five (5) business days, will direct the Contractor to begin the work described in the Change Request.



The State will monitor implementation of approved changes through routine program management. Upon authorization of the change, the Contractor must include such changes in its work plans, allocate or reallocate resources as appropriate, and report its progress in development and implementation of the changes on a reporting schedule determined by the State. This progress reporting must include hour and cost accounting, if applicable, and must continue until such time as the changes have been completed and accepted by the State.

#### **2.3.6.2.8. Changes Initiated by the Contractor**

The Contractor must provide the State with advance notice of all self-initiated changes to the System, including gateway services, by submitting a Letter of Intent to Implement a System Change. The Letter must identify the type of Change (i.e. Remedial, Enhancing, or Conforming), and must include an analysis of the potential impacts on existing System processes, other scheduled Changes, resources, hours and/or costs as well as a timeline for implementation of the Change.

The State will provide written comments to this Letter within ten (10) business days. The final draft of the schedule will be due back to the State within ten (10) business days of receipt of the State's comments.

If approved, Changes must be implemented at a time agreed upon by the State, so that the availability and participation of State program staff can be assured. The State must be notified of any known impacts the Change would have to the System's functionality, file formats, screens, reporting, or performance. The Contractor must work with the State to include testing and to ensure that Contractor-initiated changes do not adversely affect the aforementioned components of its System. The State reserves the option to deny or delay any or all Changes.

#### **2.3.6.2.9. Federal and Quest Operating Rules Conformance Requirements**

As Federal and State regulations and/or Quest Operating Rules are issued or changed, the System may need to be modified to meet the new requirements. The Contractor may implement these Conforming Changes through one of three approaches, as approved by the State:

- Through a State-initiated request and the established Change Management approach described previously.
- Through a proposal from the Contractor to the State to implement Conforming Changes to the System. The proposal must include a pricing component detailing the fixed labor



categories and hours per category.

- Through a cooperative effort of the State of Wisconsin and other States using the Contractor's services to negotiate a single reasonable solution and acceptable pricing methodology for all parties involved. Any resulting proposal must detail the fixed labor categories and hours per category.

The State may use some or all of its allotted annual design, development, and testing time, as described below, to implement a Conforming Change.

#### **2.3.6.2.10. Change Hours Included in CPCM**

The Contractor must provide up to one thousand (1,000) hours of combined design and testing time to the State for each year of the Contract at no additional cost to the State. These hours will be applied to any Change Requests issued by the State, including requests for Conforming Changes. The Contractor must not apply personnel time toward the one thousand (1,000) hours for Contractor-initiated Remedial or Enhancing Changes or for any work necessary, including Remedial Changes, to maintain System functionality under the terms of the Contract. Any personnel time applied toward the one thousand (1,000) annual hours must have prior written approval by the State. For State-requested changes that exceed these allotments, a cost estimate must be provided, utilizing the hourly rate provided in the Respondent's Pricing Proposal.

At the State's option, any portion of the one thousand (1,000) annual hours of Contractor professional time may be used for the production of special reports requested by the State or for resolution of EBT problems caused by State personnel or State equipment. The Contractor must provide the State with the required updates to the System Documentation Library defined in Section 2.3.6.1. No portion of the one thousand (1,000) annual hours designated in this Section for design, development, and testing will be used for providing updates to System documentation.

Up to one-half the annual allotment of hours (five hundred (500) under these terms) may be carried forward to the next annual period after the Baseline System is accepted by the State with the following limitation: the total number of Contractor hours available to the State may not exceed, or accumulate beyond, one thousand five hundred (1,500) in any single twelve-month period.

For purposes of this Section, the one thousand (1,000) annual hours of Contractor professional time will be used and tracked based upon a year that begins with the first of the month following the date that the State provides written approval of the System Acceptance Test (see Section 2.3.4.1.3.), with the proviso that any outstanding items identified under a conditional approval of the System



Acceptance Test must be treated as Remedial Changes and must not be considered Change Requests or Enhancements.

Upon completion of the Change, the Contractor must provide the State with an ad hoc statement detailing the number of hours used toward the change/enhancement effort, how those hours were used, and the hours available to the State for the remainder of the year. In addition, the Contractor must incorporate this data and the number of hours available to the State for further changes/enhancements for the remainder of the year into the Project Status Report. See Section 3.12.5.2. for a description of this Report.

#### **2.3.6.2.11. Test Environment for All Changes**

The Contractor must provide access to its test platforms as described below:

- The State must be provided the ability to transmit test files to the Contractor in order to validate software and System changes.
- The Contractor, in turn, must implement the ability to return test files to the State. These files must be identical in format to the files that would be returned to the State in the production environment. In addition, from time to time, the Contractor must respond to requests to provide specialty test files as needed for developmental projects.
- The Contractor must provide the State with the ability to monitor, in real time if needed, the activities of the Contractor's test platforms.
- On-line access must be provided twenty-four (24) hours per day, seven (7) days per week.
- The Contractor must inform key State personnel when the test platforms are or will be inaccessible for any reason whatsoever.
- The Contractor must enable the State to test real-time transactions that require gateway and POS transmissions.
- The Contractor must coordinate testing times between the State and the necessary endpoints, including gateway processes, to ensure real-time transaction/transmission availability.



- Testing of real-time, host-to-host processing of files and/or records between the State and the Contractor must be required on the test platform.
- If requested by the State, the Contractor must coordinate with the State all phases of testing between the State and the Contractor's test platform.

## 2.4. Governing Regulations

This section of the RFP details the regulations governing EBT. The Contractor must comply with the following rules and regulations that govern EBT Systems and operations:

### 2.4.1. Quest Operating Rules

Quest Operating Rules, Version 1.5, dated July, 2005, plus all subsequent revisions and amendments thereto may be viewed at:

[http://ebt.nacha.org/Quest/Quest\\_Operating\\_Rules/quest\\_operating\\_rules.htm](http://ebt.nacha.org/Quest/Quest_Operating_Rules/quest_operating_rules.htm).

### 2.4.2. FNS Regulations

- USDA Food and Nutrition Service Federal Regulations (**Section §274.12**) regarding the FS EBT Program can be found in the Federal Register at the following URL:

<http://ecfr.gpoaccess.gov/cgi/t/text/text-idx?type=simple;c=ecfr;cc=ecfr;sid=c5778aa81303fbd390e16a1c181a9bef;idno=7;region=DIV1;q1=274.12;rgn=div8;view=text;node=7%3A4.1.1.3.21.0.1.12>

- **Final Rule and Interim Rule** re: Food Stamp Program, Regulatory Review: Standards for Approval and Operation of Food Stamp Electronic Benefit Transfer Systems; Federal Register, Vol. 70, No. 68, Monday, **April 11, 2005**. The text of this rule can be found at the following URL:

<http://a257.g.akamaitech.net/7/257/2422/01jan20051800/edocket.access.gpo.gov/2005/pdf/05-7252.pdf>

- **Final Rule** re: Food Stamp Program: Electronic Benefit Transfer and Retail Food Stores Provisions of the Food Stamp Reauthorization Act of 2002. Federal Register, Vol. 70, No. 232, Monday, **December 5, 2005**. The text of this rule can be found at the following URL:



<http://a257.g.akamaitech.net/7/257/2422/01jan20051800/edocket.access.gpo.gov/2005/pdf/05-23619.pdf>

- All changes, updates, revisions, and policy interpretations of the Federal regulations as enacted by law or FNS.

#### **2.4.3. State Rules**

The Contractor must follow all applicable state laws, rules or policies relating to EBT, including terms and conditions in the EBT Contract. State Statutes and Administrative Rules can be found by accessing the following website: [www.legis.state.wi.us](http://www.legis.state.wi.us)

### **2.5. Contractor's Responsibilities and Liabilities**

The Contractor will be financially liable for the following errors:

- Erroneous disbursement or authorization of funds. The Contractor is liable for the erroneous authorization of disbursement of funds from a State-administered program into a client account, as described in OMB Circular A-87, 45 CFR 200, 45 CFR 74, and 7 CFR 276. The State, however, is liable for losses resulting from the provision of erroneous information to the Contractor by the State.
- Transaction Processing and Settlement. The Contractor will be liable for any losses resulting from errors or omissions, including fraud and abuse, on the part of the Contractor or its representatives or subcontractors. These liabilities will include, but are not limited to:
  - Any duplicate or erroneous postings to a client account.
  - Any losses from funds drawn from an account after the client notified the Contractor that the Card had been lost or stolen.
  - Any losses from transactions performed with Cards issued but not activated by the client and/or the Contractor.
  - Any damages or losses suffered by a Federal or State Agency due to negligence on the part of the Contractor.
  - Any loss of benefits caused by fraud or abuse by the Contractor.



## **2.5.1. Accounting and Audit Requirements**

The following accounting and auditing standards and requirements will apply to the Contract issued as a result of this RFP:

### **2.5.1.1. Availability of Records**

The books, records, documents, accounting practices, and facilities engaged in performing services under the Contract, or any subcontract relevant to the Contract (including Contracts with third party processors), will be subject to audit at any reasonable time and upon reasonable notice by the State and/or Federal government or their duly- appointed representatives.

### **2.5.1.2. Retention of Records**

Financial records and reports pertaining to the Contract must be maintained for three (3) years following the end of the State Fiscal Year (June 30th) during which the Contract is terminated or State and Federal audits of the Contract have been completed, whichever is later. In the event of any audit, claim, negotiation, litigation or other action, records must be retained for the duration of the action.

### **2.5.1.3. Annual Financial Audit**

The Contractor must make its annual financial audit report available to the State, either in hard copy or through internet access. The Contractor must respond to any inquiries related to the annual audit report from the State, USDA, or their duly appointed representatives. If, in the State's judgment, a serious financial condition is disclosed in the audit report, the State reserves the right to require the Contractor to submit a written corrective action plan to ensure continuity and safety of the System and its associated records. Failure to correct significant conditions may constitute grounds for Contract termination.

### **2.5.1.4. Annual SAS No. 70 Examination**

In accordance with Federal Regulation 7 CFR 274.12(k)(5)(i), the Contractor must submit to the State the report of an examination conducted by an independent auditor. Such examination must include transaction processing of the Contractor relative to the issuance, redemption, and settlement of Food Stamp Program (FSP) benefits. The examination must be done at least annually and the report must be completed ninety (90) calendar days after the examination period ends. Submission of this report to the State is required within ten (10) business



days of publication of the document. Subsequent examinations must cover the entire period since the previous examination.

Examinations must follow the requirements of the American Institute of Certified Public Accountants' (AICPA) Statement on Auditing Standards No. 70, Service Organizations (SAS No. 70), for reports on controls placed in operation and tests of the operating effectiveness of the controls (a Type 2 report). Auditors conducting the examination must also follow EBT guidance contained in the Office of Management and Budget (OMB) Circular A-133 Compliance Supplement applicable to the period covered by the examination to the extent that the guidelines refer to FSP benefits. The examination must include a statement that it was performed in accordance with the applicable standards in SAS No. 70 and the Compliance Supplement. Further, the examination report must include a list of all States whose systems operate under the same control environment.

The Contractor must provide the State with a written response to all exceptions noted in the examination report. The response must include 1) an assessment of the impact of the exception on EBT business in general and on this Contract in particular, 2) the Contractor's actions and timeframes to correct the situation, and 3) the name and contact information for the person responsible for ensuring corrective action. In addition, the Contractor must respond to any inquiries related to the SAS 70 audit report from the State, USDA, or their duly appointed representatives.

## **2.6 Contract Performance**

All provisions of Attachment A, Contract Terms and Conditions, will apply to the Contract. Respondents must accept all provisions contained therein, unless specific departures taken from particular terms and conditions are noted in their Proposals and approved by the State. Respondents must note all such departures in their Proposals. Failure to note departures will constitute acceptance of all the terms and conditions. A Proposal taking blanket exception to all or substantially all boilerplate Contract provisions will be considered a non-compliant Proposal and will be rejected from further consideration for Contract award. Respondents are encouraged to identify concerns with the Contract terms during the period allowed for submission of questions described in Section 1.4.1.

### **2.6.1 Non-Compliance with Performance Standards or Contract Requirements**

Attachment D lists specific performance standards or Contract requirements; a reference to the RFP section describing the standard or requirement; the specific action or non-action that would constitute a deficiency or non-compliance with the standard or requirement as well as guidelines for measuring that deficiency or non-compliance; and damages and/or remedies that the State may invoke for any such deficiency or non-compliance.



The State reserves the right to impose liquidated damages or corrective action provisions or to delay payment to the Contractor, as described in the following sections. The remedies set forth do not preclude the use of any other remedy provided by the Contract or by applicable law.

The State reserves the right to determine that the Contractor had reasonable cause for failure to meet a performance standard or Contract requirement. In such cases, the State will not hold the Contractor liable for the damages described in Attachment D. The State's election not to invoke remedies in any instance of performance deficiency must not be deemed to be a waiver of the State's right to invoke remedies in any other instance.

#### **2.6.1.1. Liquidated Damages**

It is agreed between the Contractor and the State that the actual damages to the State as a result of the Contractor's failure to provide promised services would be difficult or impossible to determine with accuracy. The State and the Contractor therefore agree that liquidated damages, as set out in Attachment D, will be a reasonable approximation of the damages that would be suffered by the State as a result thereof. Accordingly, in the event of such damages, at the written direction of the State, the Contractor must pay the State the indicated amount as liquidated damages. Amounts due the State as liquidated damages, if not paid by the Contractor within fifteen (15) business days of notification of assessment, may be deducted by the State from any funds payable to the Contractor pursuant to work performed under this Contract. The State must notify the Contractor in writing of any claim for liquidated damages pursuant to this paragraph on or before the date the State deducts such sums from funds payable to the Contractor. No delay by the State in assessing or collecting liquidated damages must be construed as a waiver of such rights.

The Contractor will not be liable for liquidated damages when, in the opinion of the State, incidents or delays result directly from causes beyond the control of and without fault or negligence of the Contractor. Such causes may include, but are not restricted to, acts of God, fires, floods, epidemics, and labor unrest, but in every case, the delays must be beyond the control of and without fault or negligence of the Contractor.

#### **2.6.1.2. Corrective Action Plan**

The State will notify the Contractor in writing of the first incident of failure to meet one or more of the Performance Standards or Contract Requirements defined in Attachment D and request a Corrective Action Plan. The State will set a date for submission of this Plan. If the State does not receive the Plan by the due date and no extension has been requested or granted, the State may, at its discretion,



invoke the appropriate “delayed payment” remedy per the schedule described in Section 2.6.1.3.

If the State receives the Plan by the due date, it will work with the Contractor to achieve a mutually agreed upon final Corrective Action Plan and schedule. The State may, at its discretion, invoke the appropriate “delayed payment” remedy if the Contractor does not meet the schedule and no extension has been requested or granted.

The State will notify the Contractor when it is satisfied that the problem has been corrected. If the State determines that, after the expiration of the Corrective Action Plan, the incident has occurred again (second incident), the State may, at its discretion, invoke the delayed payment schedule until such time as the condition is remedied, or assess liquidated damages in accordance with Attachment D or as determined by the State.

#### **2.6.1.3. Delayed Payments**

The State may, at its discretion, delay payments to the Contractor according to the following schedule:

- First month: the State may delay payment of fifteen percent (15%) of total payment owed to the Contractor by the State.
- Second consecutive month: the State may delay payment of thirty percent (30%) of total payments owed to the Contractor by the State.
- Third and each additional consecutive month: the State may delay payment of forty-five percent (45%) of total payments owed to Contractor by the State.

Payments may be delayed until the State is reasonably assured that the Contractor has fully complied with the performance standards or Contract requirements. Upon such assurance, the State must promptly pay the Contractor all outstanding payment amounts previously delayed.



# SECTION 3

## GENERAL REQUIREMENTS



## SECTION 3 GENERAL REQUIREMENTS

This section is intended to provide details on the specific functional and technical requirements of developing, testing, implementing, and operating an EBT System in conformance with Federal regulations, applicable national standards, and the State's performance expectations. This section contains the specifications and requirements for equipment, software functionality, telecommunications, EBT Card production and issuance, Reporting, Training, and on-going Operational Support.

The State intends for this System to be an industry-standard application that relies primarily upon the existing commercial networks and the already-installed base of retailers' POS devices. However, in certain circumstances, as more fully described herein, the Contractor is required to purchase, install, and maintain POS equipment on the State's behalf.

The Contractor must apply the following standards to the System's infrastructure and operating environment. Section 3.0 describes, in general terms, the basic operating environment, while the balance of Section 3 prescribes, in detail, the technical specifications that Respondents must address.

### **3.0. Technical Environment**

The Contractor must support both batch and on-line, real-time transmissions, as required by the State, including host-to-host, client-to-host, file transfer, and browser technology. The provision of dedicated communications facilities for batch and on-line transmissions between the Contractor and the State will be the responsibility of the Contractor. The Contractor must establish, operate, and maintain the interface between CARES (see 3.0.1) and the EBT host. The Contractor must also administer terminal access and over-the-counter PIN selection capabilities in local agency offices as well as on-line, real-time communications between local agency offices and the EBT host. The Contractor must use communication software and protocols compatible with those identified in the State's hardware and software configuration (See Attachment H). The Contractor must determine, in conjunction with the State, the appropriate capacity for each facility, to ensure that all transmissions are completed within the time frames specified in this RFP.

The State's technical architecture has been designed to be open, scaleable, and flexible. TCP/IP connectivity to a mainframe computer has been accomplished and is a proven solution for the State. Given this background, Respondents must propose the communications infrastructure they intend to use for completing all batch and on-line telecommunications described in the requirements.

Respondents must also describe the communications infrastructure they propose to use for completing all Federal batch updates and file downloads. Additionally, Proposals must contain a description of the on-line connectivity to be provided between FNS and USDA/OIG staff and the System's administrative functionality in inquiry mode. The preferred method for Federal



administrative access connectivity is by direct link to the FNS network or VPN. Respondents must also provide network security specifications in their Proposals.

### **3.0.1. Wisconsin Eligibility System Overview**

CARES is Wisconsin's eligibility determination system. It was originally implemented statewide in July, 1994. CARES is a case-centric, individual-based on-line system that automates eligibility determination for both Economic Support and Employment Support programs including, but not limited to:

- FoodShare
- Medicaid
- Child Care
- Wisconsin Works (W-2): Wisconsin's Temporary Assistance to Needy Families (TANF) program.

CARES serves a customer base of seventy-two (72) counties, seven (7) Native American Tribal Agencies, and an average of thirty (30) private W-2 agencies. The system includes over four thousand (4,000) active users at hundreds of physical locations statewide. Almost four hundred thousand (400,000) cases and approximately one million (1,000,000) individuals are supported by CARES.

In an effort to ensure accurate eligibility determination, CARES performs data exchanges and shares data with multiple systems and agencies including, but not limited to:

- MMIS Interface: Processes Medicaid certification data between CARES and the State's Medicaid Management Information System (MMIS).
- IV-A / IV-D Interface: Processes Child Support referral and payment data between CARES and the State's Child Support Enforcement system, known as Kids Information Data System (KIDS).

#### **3.0.1.1. Mainframe Environment**

CARES is a mainframe-based system with authorization for system access governed by RACF (Resource Access Control Facility). A homegrown security application known as WISA (Wisconsin Integrated Security Application) has been implemented to facilitate security for a Web-based front-end, known as the CARES WorkerWeb (CWW). The mainframe is centrally located at the Wisconsin Department of Administration (DOA), Division of Enterprise Technology. For redundancy purposes and safety of the data, connectivity is



planned to eventually take place at two (2) separate and distinct physical locations.

#### **3.0.1.2. Test Environment**

The Contractor must provide interface with and test files to the State for use in a UAT (User Acceptance Testing) environment when testing any changes or enhancements required to support EBT processing. This includes, but is not limited to testing necessary as a result of State and/or Contractor changes to:

- connectivity between the Contractor and the State
- file-formatting/layout changes or enhancements of files to/from CARES and related data repositories (warehouses) or self-service application(s) offered by the State
- remote printing
- assorted reporting mechanisms.

#### **3.0.2. Network Responsibilities**

The Contractor must provide the network to support the System. Respondents must provide a description of how they would deliver to the State all real-time records and batch files, including the media to be used in these submissions, (e.g. internet, web-based, free-standing, or other media, at the Respondent's discretion) and a support plan for their network.

Respondents must identify the redundancy and bandwidth assumptions utilized in designing the wide area network (WAN) between Contractor processing sites and the State's data center. The Proposal must detail the specific WAN facilities proposed and demonstrate how they meet the requirements of this RFP, including availability and transaction response time.

Respondents must also identify the hardware and software components that comprise the network. Throughout the life of the Contract, staff responsible for the support of these components must be fully trained (with training updated as necessary) in their operation.

##### **3.0.2.1 Bandwidth**

The Contractor must provide sufficient network capacity to accommodate the State's bandwidth needs, based on anticipated transaction volume levels, on-line



database access needs, and proposed “ad hoc” reporting requirements. See Attachment G for current transaction volumes.

### **3.0.2.2 Network Availability**

The Contractor must ensure that appropriate support staff is available whenever traffic is expected to be moving on the network. For client account set-up and benefit authorization traffic, it should be assumed that data is moving on the network twenty-four (24) hours per day, seven (7) days per week. Hereinafter, this time standard will be referred to as 24/7. Support must consist of a list of contacts, an understood method of identifying the network, and detailed escalation procedures to ensure resolution of problems. The escalation procedures and information must be updated throughout the life of the Contract to ensure that information remains current and accurate.

## **3.1. Account Set-up and Maintenance**

In order for a client to begin and continue receiving benefits under the State’s FS Program, an account must be established in his/her name. This account set-up and maintenance function requires the generation of an account set-up record. The State completes this operation based on activity occurring within CARES. The State transmits an account set-up record to the Contractor, who must then establish an EBT account and associated client record(s). The EBT account is the record kept and maintained by the Contractor for the purpose of disbursing FS benefits. The aggregation of all these individual records will hereinafter be referred to as the EBT Account Database.

### **3.1.1. Use of Existing File Formats**

The State has established defined formats with the Current Contractor for use in the exchange of Case/Client Maintenance (demographic data) records. These records, which comprise the Demographic Files, are detailed in Attachment F. The Contractor must continue to utilize the existing formats for the exchange of this data.

During the Design Phase, the State and the Contractor may designate additional data elements necessary to support effective System operations.

### **3.1.2. File Transmissions**

The State will transmit daily and emergency Demographic Files to the Contractor so that the Contractor may set up new accounts and update demographic information for existing accounts. Emergency demographic files may be transmitted to the Contractor several



times each business day, as necessary. The State must transmit a daily demographic file to the Contractor once each State business day.

The State currently transmits the files Monday through Friday and most Saturdays. Respondents, however, must describe their ability to accept such demographic file transmissions on a 24/7 basis on every calendar day, if needed.

### **3.1.3. Alternate Payees and Authorized Buyers**

Under the State's FS Program protocol, the State provides a Primary Person (PP) the option of selecting one Alternate Payee (AP) to receive an EBT Card in place of the PP. A Card with a unique Primary Account Number (PAN) must be provided to the AP. The case/client file transmitted to the Contractor must contain the AP's name, and the AP's name must be embossed on the card.

The FS client may also select one Authorized Buyer (AB) to receive an EBT card in addition to the PP. A Card with a unique PAN must be provided to the AB. The case/client file transmitted to the Contractor must contain the AB's name, and the AB's name must be embossed on the Card. The Card, however, must be mailed to the PP's address.

### **3.1.4. Fraud Investigation**

The Contractor must support the State in creating and maintaining EBT accounts for use in FS fraud investigations and reports of unauthorized Card use. Benefit authorizations for these fraud-tracking accounts may be added only through the EBT Administrative Terminal application (See Section 3.10). Fraud-tracking accounts must contain data on the PP only. The Administrative Terminal application must support both the creation of fraud-tracking accounts and the addition of benefits to these accounts.

The Contractor must advise, assist, and take appropriate action to aid the State in detection and investigation of abuses by retailers, clients, and State or local workers. This includes reporting unusual activity in any sector of the System. The process may involve cooperation with various authorities at the State and Federal level responsible for compliance with laws and regulations governing the program. Businesses authorized by FNS to accept FS benefits may become subject to monitoring and investigation by the Federal FSP Retailer Investigations Branch, the USDA/OIG, the Internal Revenue Service (IRS), Secret Service, and/or local police departments. FS Clients themselves, however, are subject to investigation only by State program authorities and occasionally by other agents of the State. Because the State must cooperate with Federal agencies in creating these fraud-tracking cases, including the provision of cards and information, the Contractor is likely to become involved. In such cases, the State and the Contractor must determine an orderly protocol by which these responsibilities must be coordinated. To ensure that the integrity of investigations is not compromised, access to information



concerning these matters must be restricted to the minimum staff complement needed to complete the task at both the State and the Contractor level. The Contractor must address this requirement in the Design Phase and test the System as necessary so that the Fraud-Investigation function is operational at Contract implementation. Additionally, Respondents must describe their proposed procedures for resolving reports of unauthorized Card usage.

At a minimum, the following actions must be implemented in this effort:

- Creating investigative cases and Cards to be used by investigators.

- Posting benefit amounts to the investigative cases, possibly on an irregular basis, as needed by the investigators.

- Training investigators in the processes involved in Card issuance and PIN selection

- Producing monthly reports on the investigative cases, showing the amounts paid to the cases and the transaction histories of those funds.

- Providing information from the System, as needed, for evidential purposes within twenty-four (24) hours of receipt of the request.

In addition, there is growing concern that POS terminals are being relocated for fraudulent purposes. Respondents are encouraged to propose methodologies to prevent the relocation and/or replicating of government supplies equipment for the purpose of violating FS program regulations, monitor such abuses if they occur, and take action to when fraudulent behavior is detected.

### **3.2. Benefit Authorization**

A Benefit Authorization is the allotment of FS funds granted to a client as a result of the screening and eligibility systems outlined above. The Contractor must process Benefit Authorization records transmitted by the State within thirty (30) minutes of receipt. Benefit-only records must be transmitted by batch with the exception of benefits added through the Administrative Terminal for those accounts established for the purpose of fraud investigation. The Contractor must process Benefit Authorizations and post the authorized benefit amounts to the appropriate client's account using the case number and unique authorization number generated by the State for each Benefit Authorization. The Contractor must always process Account Set-up records, as described in Section 3.1., before processing Benefit Authorization records. Account Set-up records must be processed within 30 minutes of receipt of the request. Benefit Authorization records may be processed only after the Account Set-up records have been successfully processed, and under no circumstances may funds be transmitted in conjunction with the Benefit Authorization File.



### **3.2.1. Use of Existing File Formats**

The State has established defined formats with the Current Contractor for the exchange of benefit records. The information contained in these records, defined as the Benefit File, is detailed in Attachment F. The Contractor must utilize the existing record formats for the exchange of this data. During the Design Phase, the State and the Contractor may designate additional data necessary to support effective System operations.

### **3.2.2. File Transmissions (Emergency, Daily, and Monthly)**

For on-going cases, the State must authorize benefits at a minimum once per month, according to a State-specified schedule. The monthly Benefit Files are produced by CARES approximately thirteen (13) calendar days prior to the end of the month.

In addition to the monthly benefit authorizations, the State will transmit emergency and daily benefit authorizations for new accounts and to supplement existing accounts. Daily emergency benefit files may be transmitted to the Contractor several times each State business day. A daily Benefit File will be transmitted to the Contractor once each State business day.

The State currently transmits the files Monday through Friday and most Saturdays. Respondents, however, must describe their ability to accept such benefit file transmissions on a 24/7 basis on every calendar day, if needed.

### **3.2.3. Benefit Availability**

The Contractor must post monthly ongoing FS benefits on a staggered schedule as transmitted by the State. The State will provide the benefit availability date, which is included in the benefit detail record passed to the Contractor in the monthly batch file (see Attachment F for the contents and format of the file). The staggered schedule begins on the second day of each month and ends on the fifteenth day. On the specified availability date, benefits must be accessible no later than 12:01 AM Central Time.

The Contractor must process daily emergency benefits immediately (i.e., post benefits to the client's account within thirty (30) minutes of receipt). Daily benefit records are considered a daily batch update and must be made available to the client no later than 12:01 AM Central Time on the day following the day the Contractor receives the batch update file.

The Contractor must have the ability to remove benefits that have been posted to a client's account prior to the availability date, in the event of a system-generated over-issuance or other error on either the State's or the Contractor's part.



#### **3.2.4. Benefit Aging**

On a daily basis, the Contractor must provide the State with an extract file of all benefits falling into the inactivity periods specified by the State. This daily file must be in the format defined in Attachment F and must include a header record, a detail record for each benefit being reported, and a trailer record.

The Contractor must support three inactivity indicators for reporting on benefits not utilized by a client. Currently, these indicators are as follows:

- Warning Indicator: Sixty (60) days of inactivity on the client's account; account remains in active status
- Warning indicator: Three hundred (300) days of inactivity on the client's account; account remains in active status
- Benefit Expungement: Three hundred sixty-five (365) days of inactivity on the client's account; benefits are expunged, but account remains otherwise active. Of special note: the expungement clock must carry forward through the conversion process from the Current Contract to the New Contract.

The State may change the scheduling for the warning indicators prior to Contract implementation and at any time during the life of the Contract, as it identifies a need to do so.

Current practice prescribes that when benefits are added to the EBT Account Database, the benefit-last-used timestamp should be set to the benefit available date. All benefits on a case should be utilized on a first in, first out (FIFO) basis until the entire account is expunged. This RFP, however, requires the replacement of that protocol with one that will expunge individual benefit authorizations (not the entire account) after such benefit authorization has been in the EBT account for 365 days with no client activity on the account. The Contractor must report all expungements to the State in a daily Account Activity File and a daily Aging File. The Account Activity File must contain a separate record for each benefit authorization being expunged. (See Attachment F for the format of the Account Activity File and the Aging File).

### **3.3 The EBT Card**

The Contractor must produce and issue Cards to clients in the FS Program. Such Cards bear a magnetic stripe supporting electronic transactions and will hereinafter be referred to as the Card. Respondents must propose and maintain the processes and functions necessary to issue, replace, distribute/deliver Cards, and track Card issuance in a centralized database on behalf of the State. Further, the System must provide online, real time access to available funds in a client's account



via this same Card. All existing EBT Cards in use by FS clients at the implementation of the Contract must remain active and functional with no action being required on the client's part.

### **3.3.1. Technical Specifications**

The Contractor must ensure that the Card designed and produced for the State complies with the specifications prescribed in the Quest Operating Rules, the International Standards Organization (ISO), and the American National Standards Institution (ANSI) standards pertaining to cards used for financial transactions.

### **3.3.2. Card Design**

The Contractor must use the basic EBT Card design currently in use by the State, although minor modifications to the design may be considered. The Contractor must be able to begin operations immediately upon contract signing without replacing existing Cards or disrupting clients' access to benefits.

Throughout the life of the Contract, the State retains the right to rename or change the design of the Card at any time. The State will bear the cost of any such changes it orders. In such cases, the State will provide specifications concerning the design process and reserves the right to approve the use of the new Card design. However, from the commencement of the Contract and until further notice, the Contractor must produce the Card using the same graphics and color processing as is currently employed. No other security features, such as a hologram, fine line printing, or ultraviolet ink are required for the Card. Respondents must describe in detail their capabilities to manufacture and, when called for, modify the Card. Respondents must identify in the Proposal third parties or subcontractors involved in this process, if feasible.

All permanent (non-Vault) Cards must have the client's name and the Primary Account Number (PAN) embossed on the face of the card. The Card must clearly state "Do Not Write PIN on Card". The toll-free telephone numbers for the Client Customer Service Center and Retailer Voice Authorizations must be printed on the card. A signature panel must be provided on the back of the card. To promote national recognition and acceptance, Cards must include the Quest™ logo. The USDA/FNS statement of nondiscrimination must also appear on the back of the card and must read as follows:

"USDA is an Equal Opportunity Employer and Provider."

Card samples must be submitted for State approval prior to initial production and whenever the Card is redesigned or changed in any respect.



### 3.3.3. Track 2 Format

Track 2 of the Card must be encoded in accordance with ISO 7813. The maximum character count in Track 2 must not exceed 40 characters, including all control characters. The layout of Track 2 for the current Card is as follows:

Field Number	Field Name	Length
1	Start Sentinel	1
2	Primary Account Number	16
3	Field Separator	1
4	Expiration Date (4912)	4
5	Service Code (120)	3
6	PIN Offset (value set to zeros)	5
7	Card Authentication Value	3
8	Padding Character (set to zero)	5
9	End of Encoding	1

### 3.3.4. Card Number / BIN Number

The State's current Bank Identification Number (BIN)/Issuer Identification Number (IIN) for EBT Cards is 507708. The Contractor must issue a Card containing a sixteen (16) digit PAN that utilizes the State's current BIN/IIN. There must be a space between every four digits of the card number. The process by which the Contractor calculates the PAN for issued Cards must not interfere with the Card base currently in use by the State and its clients. Respondents must describe the process by which they will generate the PAN. The PAN must in no way be a permutation derived from the client's Social Security Number.

### 3.3.5. Card Issuance

The Contractor must adhere to the State-prescribed format, parameters, and timeframes when issuing initial and replacement Cards to eligible EBT clients. The State will prescribe a format, parameters, and timeframes at the time of Contract implementation and may revise them, at its discretion, from time to time throughout the life of the Contract.

Respondents must take into consideration the State's intention to pursue initiatives to expand Wisconsin's client self-service internet platform, known as ACCESS (also see Section 3.11), to include, at some future point, every benefit program currently administered under the CARES umbrella. A long-range goal in this development process is to build a System that will provide each client with a single Card and PIN that would



provide access to all programs under which the client receives a benefit. Proposals demonstrating positive efforts toward this goal may receive enhanced scoring in the Proposal review process.

#### **3.3.5.1. Initial Card Issuance**

The Contractor must initiate the Card Issuance process through the batch interface in the account setup record. When a new account is set up, a new FoodShare Alternate Payee or Authorized Buyer is added to an existing account, or any other State-identified circumstance occurs, an indicator will be included in the case/client maintenance detail record from CARES. The Contractor must then issue a new Card for each case with the appropriate indicator.

The Contractor must assign a PAN to each cardholder on the account and mail the Card via the United States Postal Service (USPS). The Contractor must place a card activation sticker on the front of the Card with instructions to the client for activating the Card, place the Card in a Card Mailer, and mail it to the cardholder's address of record. The client must activate the Card and access his/her benefits by selecting a Personal Identification Number (PIN) in accordance with the provisions of Section 3.4.

The Card Mailer accompanying the card must be printed in both English and Spanish. It must also include the telephone number which the client must use to select a PIN. The Contractor must provide suggestions for the layout of this Mailer during the Design Phase.

If the client reapplies and the cardholder has not changed, the Contractor must not issue a new Card. If the cardholder simply needs a new Card, the procedure for ordering replacement Cards must be followed (See Section 3.3.5.2.) Each initial Card issued and mailed to the client must be in an inactive (i.e. unusable) state until the Client receives and activates it.

#### **3.3.5.2. Replacement Card Issuance**

In order to receive a replacement card, clients must telephone the Client Customer Service Center (CCSC) (See Section 3.7.1.) to report a lost, stolen or non-functioning Card. Such lost, stolen, or non-functioning Cards must be deactivated immediately. See Attachment G for Historical Card Replacement Data. In all cases calling for card replacement, regardless of reason, the Contractor must produce and mail a permanent replacement Card to the cardholder in accordance with the requirements described in Section 3.3.5.1. above.



### **3.3.5.3. Timeframe Requirements**

All permanent Cards must be delivered by direct mail through the USPS. Card issuance requests in the batch Case/Client Maintenance file received by the Contractor **before** 12:00 PM (Noon) Central Time must result in the Card being placed in the mail that same day. Such issuance requests received **after** 12:00 PM (Noon) Central Time but before 11:00 PM Central Time must result in the Card being placed in the mail no later than the next calendar day. Whenever the Card is not placed in the mail within these timeframes, the Contractor must dispatch the Card via overnight mail at the Contractor's expense. Respondents must indicate the current or proposed geographic location from which the Cards will be mailed.

### **3.3.5.4. Cards Returned by the USPS**

Currently, the USPS returns undeliverable Cards to the State and they are destroyed. Under this RFP, however, the Respondent must propose procedures for receiving and canceling (statusing) Cards returned by the USPS. In addition, the Contractor must provide an automated report to the State that can be used to notify local agencies via CARES when a client's Card has been returned by the USPS. Further, the State will prescribe and the Contractor must follow a written protocol covering the mode of destruction of the returned Cards. See Attachment G for statistical history concerning the volume of returned Cards.

### **3.3.5.5. Over-the-Counter Card (Vault Card) Issuance**

A Vault Card is a temporary Wisconsin QUEST Card that may be issued by local agencies in emergency situations. In such expedited cases, a local agency may issue a Vault Card to the primary cardholder. Whenever a Vault Card is issued at a local agency office, the Contractor must follow the procedures for Card deactivation described in Section 3.3.5.2, produce a permanent replacement Card, and mail it to the cardholder, as described in Section 3.3.5.1.

A Vault Card's PAN must begin with 5077089. The cardholder name must not be embossed on the Vault Card. The card must expire in 30 days or when a PIN is selected for the permanent replacement Card, whichever comes first. The Contractor must supply the State with an initial allotment of 5,000 Vault Cards. The Contractor must also maintain a sufficient readily-available supply of Vault Cards in reserve to support recurrent replenishment orders from the State for routine use as well as for use in unplanned situations. The Contractor must be prepared to ship Vault Cards to the State in increments of no less than 4,000 Cards per single order within five (5) calendar days or less. Conditions may occur in which a need for more than 4,000 Vault Cards could present itself (see Section 3.14.3, Extension of Benefits to Affected Populations). Respondents must



describe the method by which they would ensure that these Vault Card standards would be met. See Attachment G for historical data on Vault Card Issuance.

#### **3.3.5.6. Card Issuance Back-up Plan**

Respondents must describe their contingency plans to provide for uninterrupted Card issuance functions in the event of a disaster or unplanned outage at the primary location of the Card manufacturer. The objective is to prevent any delay in Card production and distribution. (See also Section 3.14, Disaster Recovery Planning).

### **3.4. PIN Selection**

The Contractor must provide functionality that enables the cardholder to select a four-digit code, or PIN, of his or her choice for every CARES-ordered Card. Each cardholder must select a four-digit PIN before the account or the benefits thereof can be accessed. The primary method of PIN selection for a permanent Card is through an Automated Response Unit (ARU) (see Section 3.7.1.1.). Respondents must propose a secure ARU PIN-selection procedure that is as client-friendly as possible (i.e., it must be comprised of the fewest steps possible and present itself in the clearest possible sequencing). As is current State practice, however, the ARU PIN-selection process must incorporate, at a minimum: a) entry of Date of Birth and b) entry of Social Security Number or Client Case Number.

If a Vault Card is issued at a local agency, the cardholder must select a PIN using an on-site PIN-select device. The Contractor must ensure that at least one such device is located in each local agency office. Once the replacement Card is issued and mailed, the cardholder must select a PIN for the permanent Card via the ARU. This action must deactivate (status) the Vault Card. The System must allow the cardholder to select the same PIN that she or he used previously. Similarly, if a Card is replaced by a CSR (Customer Service Representative) (See Section 3.7.1.2.), the previous PIN must carry over to the replacement Card with no further action needed on the cardholder's part.

The Contractor will be liable for any misuse of the Card until it is activated by the client. The CSR must be prepared to intervene on-line to provide any support and information necessary for the client to select his or her PIN using the ARU application.

Respondents may offer alternatives to this initial PIN selection procedure as part of their proposal. These minimum requirements, however, must be met.



### **3.4.1. Compromised PINs**

Each client must be able to report a compromised PIN by calling the CCSC. The System must allow the client to select his or her own replacement PIN by using the ARU PIN-Select procedure.

### **3.4.2. Conversion Process**

All Cards currently in use by clients must remain active and functional during the transition period from the Current Contract to the New Contract. Current PINs must also carry forward automatically to continue functioning with the client's current Card; new PINs must not be required.

## **3.5. EBT Training**

The Contractor must be responsible for providing EBT training materials to FS clients, and to staff of State and local agencies. The Contractor must also be responsible for providing training to State trainers, as requested. The Contractor will have sole responsibility for training retailers (See Section 3.5.2.). All training materials will be produced with the full participation of State staff and must not be issued until fully approved by the EBT Contract Administrator. Further, all training plans and materials will become and remain the property of the State.

### **3.5.1. Client Training**

Training is an essential component in ensuring that clients have the information they need to access their benefits. All new FS clients must be provided with printed training materials that meet the requirements outlined in Section 3.5.1.1. Respondents may choose to produce the printed training materials using one of the three options described below. Additionally, Respondents will have the option of providing clients with electronic training materials, as described in Section 3.5.1.2.

#### **3.5.1.1. Printed Training Material for Clients**

All new clients must receive a pocket-sized brochure that contains necessary information on how to obtain and maintain their benefits. This brochure will hereinafter be referred to as the Wallet Card.

The Wallet Card must be developed and written in easily understood language that targets a sixth-grade reading-level ability. The Wallet Card must be prepared in English, Spanish, Russian, and Hmong. When Cards are requested via the batch file process, CARES will provide the Contractor with the needed language indicator. At a minimum, the wallet card must include the following topics:



- Card replacement procedure
- PIN selection and change procedure
- How to report a lost, stolen, or damaged Card
- Use of the transaction receipt to track benefit balances
- Use of the ARU, including how to obtain one's current benefit balance
- A prominent display of the toll-free CCSC telephone number
- A nondiscrimination statement (see Section 3.3.2)
- TTY Telephone Number (Telecommunications Relay Service for Hearing Impaired).

Respondents' Options for Producing the Wallet Cards:

*Optional Service 1:* Respondents provide the costs of designing, translating, printing, and mailing a Wallet Card to accompany each new EBT Card. Such pricing must be based on incremental production runs of five hundred (500) copies each.

*Optional Service 2:* The State would design, translate, and print the wallet card at its expense and forward the stock to the Contractor. Respondents who choose this option must provide costs only of mailing this Wallet Card with the EBT Card.

If Respondents choose Option 1 above, Respondents must separately price each component of production (i.e., design, translation, printing, and mailing.)

*Optional Service 3:* Respondents can provide pricing to incorporate a Wallet Card into the design of the Card Mailer (e.g. as a tear-off section). (See Section 3.3.5.1.)

Respondents must use Schedule IV-3 in Section 4 to price any or all of these options.

Note: Issuance of the Wallet Card is mandatory under all three options. Respondents must prepare their proposals and pricing accordingly. The State reserves the right to choose from among a variety of these options during final Contract negotiation. In all cases, the Contractor selected must apply the selected Wallet Card mailing option to clients receiving new Cards only; the Wallet Card



must not be mailed with replacement Cards, unless it is incorporated into the basic Card Mailer design (Optional Service 3).

#### **3.5.1.2. Electronic Training Material for Clients**

Optional Service: In addition to the printed materials mentioned in 3.5.1.1. above, the Contractor may develop EBT training in electronic media format(s) for the purpose of training clients on the premises of local agencies. Respondents must provide optional pricing for production of these electronic training materials, which could be placed on various media, including DVD and Internet-adaptable media. The State reserves the right to order revisions to all or portions of the content once annually at no additional cost to the State. The Contractor must produce the media in quantities specified by the State and must forward it to the State when ordered. The State, in turn, will distribute the media to local agencies.

Content: the training media must be produced at a sixth-grade comprehension level, and the master copy must be produced in English, Spanish, Russian and Hmong with closed-captioning. The program must be no more than fifteen (15) minutes in length and must include the topics listed below:

- When to select a PIN
- How to safeguard the Card and PIN
- How to use a POS device
- How to telephone the ARU to:
  - Verify an account balance
  - Hear the last ten (10) transactions
  - Report a lost, stolen, or damaged card
  - Select or change a PIN
  - Use the 'speak' option if the caller has difficulty pressing numbers.

#### **3.5.2. Retailer Training**

The Contractor must provide training and training materials to retailers participating in the program. In addition to operational topics, the training curriculum must include basic



benefit information topics for the FS Program. Additionally, the curriculum must specifically inform retailers that the name of the program in Wisconsin is FoodShare.

#### **3.5.2.1. Printed Material for Retailers**

FNS Federal Regulation 274.12 requires that retailers' employees be trained in system operation prior to implementation of the EBT System in their locations. Retailer training materials must be prepared to meet FNS requirements and are a specific deliverable in the Contract. Retailer training material must be prepared in both English and Spanish and must include at a minimum:

Retailer Customer Service Center (RCSC) toll-free telephone number.

Procedures for using the Retailer ARU

Procedures for processing manual vouchers.

#### **3.5.3. Training Material for State and Local Agencies**

The Contractor must develop and provide EBT System training materials for staff of State and local agencies. The Contractor must also be prepared to provide training to State trainers, as requested by the State. In addition, whenever the Contractor modifies functionality of the System, updates and revisions of the training materials must be provided to the State within ten (10) business days of the update or revision and at no additional cost to the State for these Contractor-initiated modifications.

##### **3.5.3.1. Administrative Terminal Training**

Training material provided by the Contractor to State and local agencies must cover all of the functionality supported by the EBT Administrative Terminal. The material must include accessing the Administrative Terminal functions, security features in the System, and detailed explanations of the screens and functions supported by the Administrative Terminal application. Training material must include a current Administrative Terminal Manual in electronic format, which can be edited by the State at its discretion.

##### **3.5.3.2. Reports Training**

The Contractor must provide a training package to assist State staff in the most efficient use of the data contained in the reports generated by the System. Particular attention should be paid to reports generated for purposes of Settlement and Reconciliation.



### **3.6. Settlement / Reconciliation**

Inasmuch as the System operates on a 24/7 basis, the Contractor must designate, for settlement and reconciliation purposes, a standard daily cutoff time at which the Contractor must close out the current processing day and commence the next processing day. This twenty-four (24) hour period between the cutoff times on Day One and Day Two constitutes the ‘Transaction Day’. The specified cutoff time must allow the Contractor sufficient time to originate Automated Clearing House (ACH) payments for settlement on the next day.

#### **3.6.1. Overview**

The Contractor must maintain ledger accounts at levels determined by the State. Subsequent to the daily settlement cutoff, the System must be balanced and reconciled. The Contractor must compute the end-of-day net position or balance. An audit trail must exist so that reconciliation can be performed at the individual client account level up to and including the State level. For each level, the end-of-day net position is equal to:

$$\text{Opening Balance} + \text{Credits} - \text{Debits} = \text{End of Day Balance.}$$

On a daily basis, the Contractor must ensure that the System as a whole is in balance. The balancing functions performed by the Contractor must ensure that the change in the net position of the sum of client accounts equals the change in the net position at a summary level. The Contractor must also ensure that the change in the net position of the sum of accounts is equal to the change in the net position (obligations outstanding) of the State’s accounts. The Contractor must specify procedures for maintaining audit trails throughout all settlement processes.

##### **3.6.1.1. FNS Requirements**

The Contractor must meet the FSP reconciliation requirements of 7 CFR 274.12(k). At a minimum, Contractors must institute procedures for reconciling:

Client account daily beginning balance and net draws versus the ending balance

Client net redemptions versus retailer/acquirer settlement values

Total funds entering, exiting, and remaining in the System each day

Total net change in System-wide obligations outstanding with the sum of the net change in obligations outstanding for the Food Stamp Program.



### **3.6.2. Contractor Responsibilities**

The Contractor must perform the daily settlement of funds to retailers either directly or through financial intermediaries such as Third Party Processors (TPPs). (See Section 3.9.2.2.). The Contractor must own and reconcile the clearing bank account used for the daily settlement and perform the Federal funds drawdown for FS benefits utilized by clients. The Contractor must handle both credit and debit adjustments to the clients' accounts in the manner and timeframe dictated by Federal regulations and Quest Operating Rules. The Contractor must ensure that settlement reports, such as the Account Activity File used for the daily drawdown, are received by the State no later than 6:00 AM Central Time the following business day. The Contractor must provide detailed and accurate reports that allow the State to reconcile benefit postings to the system, settlement of benefits utilized by clients, and the outstanding liability remaining on the system at the end of the processing day. The Contractor must research all variances that the State forwards and provide documentation to support the resolution no later than ten (10) business days after notification.

#### **3.6.2.1. Retailer / TPP Settlement**

Settlement to retailers and TPPs must be carried out through the existing commercial banking ACH infrastructure. The Contractor must have an originating and receiving relationship with the ACH, either directly or through one of its subcontractors. For transaction processing and settlement purposes, the Contractor must provide Retailers with access to local networks and be capable of settling POS transactions. For retail merchants, third parties, or other benefit providers that are directly connected to the Contractor's system, the Contractor must originate an ACH credit for the total balance due and payable for benefits provided during the just-closed processing day. The benefit provider credits must be entered into the ACH for settlement on the next banking day.

### **3.6.3. State Responsibilities**

For informational purposes, the State is responsible for ensuring that benefits authorized by CARES are posted to the System or are otherwise accounted for. The State ensures that FoodShare benefits posted to the System are correctly reported to the Account Management Agent (AMA). The State verifies the benefit liability remaining in the System at the end of the processing day. This amount is then reconciled against the outstanding liability on the Federal Reserve Bank's Automated Standard Application for Payments (ASAP) system. There will be no expectation of the Contractor inherent in this matter.



### **3.7. Customer Service**

The Contractor must support customer service systems for both FoodShare clients and retailers accepting the State EBT Card. These systems must incorporate both functional ARUs and an adequate number of CSRs to handle all telephone calls. Respondents must indicate in their Proposals the current or proposed geographic location of all customer and retailer service facilities.

The Contractor must provide a means by which the State may access, on demand, a system through which it may perform third-party anonymous monitoring of incoming telephone calls from clients and retailers. Such sessions will be unannounced in advance and the State will select which CSR station(s) it wishes to monitor during that session. There will be no limit on how frequently the State may exercise this option.

#### **3.7.1. Client Customer Service Center (CCSC)**

The Contractor must provide client customer service on a 24/7 basis, the purpose of which is to provide current account and benefit access information. This is accomplished via a toll-free telephone number. The new Contract must provide for continued use of this same toll-free number; it is not to be changed in the transition from the current Contract to the new Contract.

This service component, in general terms, will be referred to as the Client Customer Service Center (CCSC). See Attachment G for Historical Recipient Customer Service Data. In the event that a new Contractor is selected as the result of this RFP Process, the CCSC telephone number must be transferred unchanged from the Current Contract to the New Contract.

The Contractor must develop a procedures manual and ARU script for review and approval by the State prior to system implementation or conversion.

There is currently no cap on the number of calls that each client may make to the CCSC per month. However, the State may consider imposing a twenty (20)-call-per-month limit on each client. If the State chooses to impose a monthly call limit, clients' requests for the replacement of lost or stolen cards will not be calculated against clients' monthly twenty (20)-call limit. Respondents must describe the process that they would use both to limit clients' monthly calls and to ensure that requests for the replacement of lost or stolen cards would not be calculated against the monthly limit, should the State choose to impose such a limit.



#### **3.7.1.1. Automated Response Unit (ARU)**

The Contractor must design, develop, implement, operate, and maintain an ARU that accepts calls in English and Spanish. The design must incorporate referral protocols to translation services for other languages on demand. The ARU must include technology that allows the clients to speak their responses as an alternative to entering data via the telephone keypad. The State reserves the right to review and approve the transaction flow and content of all ARU messages, prompts, and customer service scripts a minimum of twenty (20) business days prior to their implementation. The Contractor must not change ARU messages or menu functions without prior approval of the State. The Respondent must describe its access controls to ensure security of clients' account information. Further, Respondents are encouraged to recommend for consideration any other transactions and/or uses of the ARU which would represent an effective and economical application of this technology.

The ARU must routinely issue a message to the client indicating that account benefit information is also available via Wisconsin's web-based ACCESS System. See Section 3.11 for further information about ACCESS.

#### **3.7.1.2. Customer Service Representative (CSR)**

The Contractor must provide CSRs to resolve client issues that cannot be resolved by the ARU, including requests for adjustments. The Contractor must provide sufficient CSRs to meet the contractual service standards for client calls referred to a CSR, including sufficient capacity for English- and Spanish- speaking callers as well as access to translation services for all other non-English- or non-Spanish- speaking callers. The Contractor must also develop a procedures-manual specific to CSRs and a CSR script for review and approval by the State prior to System implementation or conversion.

#### **3.7.1.3. Service Requirements**

The CCSC must meet or exceed the following service standards:

- Average answer time of less than 15 seconds
- 85% of all calls answered within four (4) rings (four rings are defined as twenty-five (25) seconds.)
- Abandoned call rate of less than 3%.



- No more than 10% of calls to receive a busy signal
- 85% first call resolution (i.e., one CSR must handle and resolve the call without transferring the issue to other CSR's).
- Teletypewriter (TTY) capability must be provided to clients with hearing disabilities.
- CCSC access and support for clients using rotary phones.
- See Attachment D for details concerning Performance Standards for the CCSC.

Respondents must also describe their access and identification verification controls to ensure the security of clients' account information.

#### **3.7.1.4. Functional Requirements**

The CCSC must support the following functions via the ARU, live interaction with a CSR, or both, as appropriate to the issue at hand:

- Verification of Caller's Identity

Respondents must include in their proposals the requirements imposed on the caller to verify his/her identity before any client-specific business can be conducted with a Customer Service Representative (CSR). Current practice is as follows: the caller must disclose his or her Social Security Number (SSN) and Date of Birth (DOB). Should an Alternate Payee or an Authorized Buyer have occasion to speak with a CSR, he or she must disclose his or her own name along with both the Primary Person's SSN and Date of Birth (DOB) for verification of identity.

The State has a strong interest in discouraging the defacto need for clients to share their SSN with other persons. Respondents are thus asked to propose an alternate protocol by which an AP or an AB could confirm to a CSR that he/she is authorized by the client to speak on their behalf. Such protocol could either be internal to the System or be imposed upon the AP or AB, or a combination of both.



- Replacement Card Requests

Wisconsin FS clients must be able to report lost, stolen, damaged, or non-received Cards and to request replacement Cards through the CCSC. The caller's identity must be confirmed in a manner similar to that described above prior to disabling the Card when the caller is reporting his or her Card lost, stolen, damaged or not received. Prior to replacing a Card, the client's address must be reconfirmed.

- Balance and Transaction History Inquiries

The Contractor must handle callers' balance inquiries through the ARU. In addition, clients must be able to use the ARU to access transaction history for the past ninety (90) days. This history must be able to display the last ten (10) client transactions. Also, if requested by the client, deposit history for the past ninety (90) days must be provided.

- Account History

By means of a verbal request to a CSR, callers must be able to request a printed statement showing all transactions posted during the past ninety (90) days. This statement of account history must be mailed to the client within two (2) business days or receipt of the client's request. When the client calls to request a printed statement of transactions, the client's address must be reconfirmed.

- PIN Selection and Change

Callers needing PIN-Select assistance will be connected to a CSR for assistance in using the ARU, if necessary.

- Benefit Access / Service Points

CSRs must provide callers with information as to specific locations of FNS-Authorized Food Retailers, where benefits may be accessed. The Contractor must also provide general information regarding retail establishments displaying the Quest logo and supporting the Wisconsin EBT card. This information must also be provided to Wisconsin clients attempting to use their EBT Cards out-of-State.



- Unauthorized Card Use

Callers must be connected to a CSR for assistance in reporting unauthorized card use (See Section 3.1.4. Fraud Investigation). The CSR must cancel the Card immediately upon receipt of the report and perform the necessary operations to issue a replacement Card. Respondents must include in their proposals the procedures and scripts which CSRs will follow in handling reported cases of unauthorized card usage.

- Benefit Availability Date

Callers must be given the date benefits will become available, based on the issuance schedule supplied by the State.

### **3.7.2. Retailer Customer Service Center (RCSC)**

The Contractor must provide retailer customer service, consisting of both ARU and CSR resources on a 24/7 basis, the purpose of which is to provide EBT System support and program information to retailers via a distinct toll-free telephone number. This function must be referred to as the Retailer Customer Service Center (RCSC)

#### **3.7.2.1. Service Requirements**

Through technical design, resource allocation, and staffing, The Contractor must ensure that each retailer call is answered in accordance with the same service standards mandated in Section 3.7.1.3. Additionally, Teletypewriter (TTY) capability must be provided to retailers with hearing disabilities. TTY must be made available through the use of a service that can support TTY for retailers requesting such a service.

The Contractor must provide service through an RCSC that is

- Accessible via the same toll-free telephone number currently in use
- Without charge or fee to the retailers
- Accessible to all Wisconsin Quest retailers
- Reserved exclusively for retailer support
- Operated and staffed in an industry-standard manner.

Respondents must describe the access and identification-verification controls that they will use to ensure the security of retailers' account information.



### **3.7.2.2. Functional Requirements**

- Voice Authorizations

The Contractor must provide voice authorization for transactions in English and Spanish (See Section 3.8.3.3.1.)

- EBT-Only Retailer Support

The Contractor must provide EBT-only retailers using Contractor supplied equipment with live Customer Service Center support on the following topics:

- Manual vouchers, transaction approvals, and processing
- Repair and replacement of EBT-only POS equipment
- Settlement information and reconciliation procedures
- System adjustments and resolution of out-of-balance conditions
- General information regarding EBT policies and procedures.

## **3.8. Transaction Processing**

The Contractor must authorize client-initiated FS benefit transactions. The Contractor must have the capability to receive and process only those client transactions initiated at POS terminals in authorized retailer locations. The Contractor must ensure that clients are able to access their FS benefits. The Contractor must disburse benefits from the client's account on a first in first out basis.

A valid transaction must comply with all of the following::

- Accepting transactions originating only from authorized transaction acquirers.
- Authorizing or rejecting such transactions as appropriate.



- Sending response messages back to the transaction acquirer authorizing or rejecting client transactions.
- Logging the authorized/rejected transactions for subsequent settlement and reconciliation processing, transaction reporting, and viewing through transaction history reporting.

The System must employ a series of checks and protocols to determine whether a client-initiated transaction should be approved. These checks must include verification of the following:

- The retailer has a valid FNS authorization number
- The PAN is verified and the Card is active
- The PIN has been entered correctly
- The number of consecutive failed PIN tries has not been exceeded. Clients must have four (4) attempts from midnight to midnight whereupon the allowance is reset)
- The client account is active
- The client account contains a sufficient fund balance to cover the transaction in process.

If any one of the above conditions is not met, the Contractor must reject the transaction. The Contractor must ensure that client benefit accounts are not overdrawn and must assume all financial liability if an account overdraft does occur. The System must return a message to the retailer indicating the reason for rejection (e.g., invalid PAN, invalid PIN, or non-sufficient funds (NSF) in the client's account).

### **3.8.1. Service Requirements (FNS Standards)**

The Contractor must comply with the ownership rights for software and automated data processing equipment, as prescribed in Federal regulations 7 CFR 277.18(l) and as further clarified or negotiated with the State and the Federal government. The Contractor must ensure that the System meets the processing requirements and criteria established by FNS.

As described in this section, the Contractor must further ensure that the System meets performance and technical standards and regulations in the following areas:

- System processing speeds



- Availability and reliability
- Security
- Ease-of-use
- Minimum Card requirements
- Performance
- Minimum transaction set.

In meeting these performance and technical standards and regulations, the Contractor must adhere to the requirements contained in the resources below, in the order of precedence given:

1. Federal regulations
2. State of Wisconsin Statutes and Rules
3. Quest® Operating Rules for EBT
4. Prevailing Industry Performance Standards.

If there is a conflict among these governing regulations and guidelines regarding a specific standard, the State will determine the appropriate standard to which the Contractor must adhere. In determining the appropriate standard, the State will allow consultation and input from the Contractor; the final decision, however, must rest with the State.

The Contractor must comply with all relevant processing speed requirements as stated in 7 CFR §274.12. The host computer must process and respond to all on-line transaction requests within two (2) seconds. The Contractor must provide FNS-authorized retailers with an alternate method for processing transactions when the System is unavailable during both unscheduled and planned outages. Respondents must define the alternate method to be used as well as the means by which Retailers will be notified when they must use alternate processing methods.

The EBT System Central Computer must be available 99.9% of scheduled uptime on a 24/7 basis. The total System, including the Central Computer and any network or intermediate processing facilities and cardholder authorization processors under the control of the Contractor, service provider, or subcontractor, must be available 98% of scheduled uptime on a 24/7 basis. Scheduled uptime is defined as the time during which the database is available and accessible for transaction processing, less downtime for routine maintenance.



The State must be notified in advance of scheduled downtime for routine maintenance, which must occur during off-peak transaction periods only. The Contractor must inform the State in advance of any scheduled downtime including that which is within the test environment but outside the time required for routine maintenance. Such downtime must be arranged with and approved by the EBT Contract Administrator.

As defined in Federal regulations, the System's Central Computer must permit no more than two (2) inaccurate EBT transactions for every 10,000 EBT transactions processed. The transactions to be included in measuring system accuracy must include:

- All transactions occurring at POS terminals and processed through the host computer.
- Voucher transactions entered manually into the System.
- Credits to EBT accounts.

### **3.8.2. Interoperability Requirement**

Interoperability as used herein is defined as the capability to process EBT transactions initiated within the state of Wisconsin by non-Wisconsin clients and likewise to process transactions initiated by Wisconsin clients at non-Wisconsin retailers. The Contractor must support the Federal requirement to process all such interoperable food stamp transactions. Respondents must describe their ability to seamlessly support interoperable transactions for both Wisconsin and non-Wisconsin clients at both Wisconsin and non-Wisconsin retailers.

### **3.8.3. FoodShare Transactions**

The System must maintain the ability to process transactions originating from POS devices.

The Contractor's System must handle, at a minimum, the following transactions and/or processes:

FoodShare Purchases (Section 3.8.3.1.)

FS Merchandise Returns (Section 3.8.3.2.)

Manual Authorizations (Section 3.8.3.3.)

Stand-in Processing (Section 3.8.3.4.)



Voucher Clear (Section 3.8.3.5.)

Balance Inquiries (Section 3.8.3.6.)

Voids and Cancellations (Section 3.8.3.7.)

Reversals (Section 3.8.3.8.)

Adjustment Processing (Section 3.8.3.9.)

Store and Forward (Section 3.8.3.10.)

Key-entered Transactions (Section 3.8.3.11.)

#### **3.8.3.1. FoodShare Purchases**

The Contractor must accept and process FS purchase requests initiated at an FNS-authorized retailer location with a correctly entered PIN. Upon receiving a request for authorization of an FS purchase, the Contractor must debit the appropriate amount to the client's account immediately and direct that the new account balance be printed on the receipt.

#### **3.8.3.2. FoodShare Merchandise Returns**

The Contractor must accept and process merchandise credit requests initiated at an FNS authorized retailer location with a correctly entered PIN. The credit request must not be for an amount that exceeds the original transaction. Upon receiving a request for authorization of an FS merchandise return, the Contractor must credit the amount to the client's account immediately and direct that the new account balance to be printed on the receipt.

#### **3.8.3.3. Manual Authorizations**

The Contractor must follow the requirements set forth below and in section 3.8.3.3.1., Voice Authorizations, to process manual transactions received from the following retailers groups and/or under the following circumstances:

- Retailers who do not have immediate access to a POS device at the time of purchase, including stationary food stores that choose to make home deliveries to FNS-certified households, house-to-house trade routes that operate on standing orders from customers, food-buying cooperatives, farmer's markets, and other retailers authorized to participate in the Food Stamp Program



- Retailers who do not possess a POS terminal, such as those who do not qualify to receive State-provided equipment because their total monthly food stamp sales are under \$100
- Retailers who have POS terminals that are temporarily inoperable
- Retailers who experience a malfunction or a loss of communication between their POS terminals and the host processor
- Retailers who need to process FS transactions at times when the System is down or otherwise unavailable.

The Contractor must design a paper voucher and distribute a supply of such documents to each FNS-authorized retailer for use in processing manual FoodShare transactions when the need arises. In addition, the Contractor must provide to such retailers, upon their request, an adequate supply of forms for use in processing voice authorizations. Retailers may alternatively utilize their own forms as long as they meet the minimum data requirements specified by the State and Contractor.

#### **3.8.3.3.1 – Voice Authorizations**

The retailer must complete the manual voucher and obtain a voice authorization prior to completing the FoodShare transaction. The Contractor must require the EBT client's signature on the paper voucher as a condition for processing. While a toll-free telephone number must be available to retailers to obtain authorizations for these manual vouchers, the resource of first choice in the authorization process must be automated as part of the ARU functionality. Vouchers submitted for payment without prior telephone authorization can be accepted by the Contractor, but only "at the retailer's risk" (i.e., paid only if the balance in the client's account is sufficient to cover the amount indicated on the face of the voucher at the time it is processed). The retailer must be liable for declined transactions in the event the retailer fails to obtain prior authorization and the client account is found to have had insufficient funds to cover the purchase.

Upon providing a voice authorization for a manual transaction, the Contractor must place an electronic "hold" on the amount of benefits necessary to fund this transaction. The Contractor must maintain the hold on the client's benefits until the voucher transaction is "cleared", up to a maximum of thirty (30) calendar days. A retailer must have thirty (30) calendar days to complete the transaction by submitting the voucher either electronically or as a paper copy. If the retailer fails to submit the voucher within this period, the hold must be released and the use of these funds



must revert back to the client. The retailer or acquirer bears liability for the transaction if the voucher is not cleared in a timely manner. If the acquirer pays the retailer for a voucher that has not cleared on a timely basis, the acquirer must be liable for the charge, unless the acquirer can recover such funds from the retailer.

#### **3.8.3.4 Stand-in Processing**

If the retailer cannot access the System because it is unavailable, the Contractor must allow for “stand-in” processing of purchases up to \$40 per EBT card per retailer. Respondents must define under what circumstances they would consider their System ‘unavailable’. Responses to this requirement should specify the protocol by which retailers would be notified that “stand-in” processing is currently in effect as well as the protocol to be used for processing and settlement of these transactions. The protocol must not be burdensome to the retailers’ operations (e.g., requiring the retailer to speak to a CSR when the System is unavailable in order to obtain an authorization). Should the transaction be processed and authorized following the Contractor’s protocol but later found insupportable by sufficient funds in the client’s account to process the “stand-in” transaction once the System is again operational, the Contractor will be liable for the amount of the insufficient funds. Any retailer who follows the approved protocol must be reimbursed for the full amount of any transaction (up to \$40.00) made during the System stand-in period. However, the Contractor may re-present insufficient fund transactions performed in a “stand-in” processing mode following the rules specified in 7 CFR 274.12 (m) Re-presentation.

#### **3.8.3.5 Voucher Clear**

There are two methods by which a manual voucher can be cleared. If the authorized retailer has a POS device, the retailer must convert the manual transaction to an electronic transaction for transmission to the Contractor when the POS device is again able to communicate with the EBT Host. If the retailer is a non-traditional or low-volume (per FNS waiver) FNS-authorized retailer who does not have a POS device, the retailer must mail the voucher directly to the Contractor for the clearing and settlement of the manual voucher. The Contractor must provide Retailers with the means of forwarding these manual vouchers to the Contractor as well as with instructions for the most efficient forwarding of these vouchers.

#### **3.8.3.6 Balance Inquiries**

The Contractor must provide a means by which a client can verify the balance in his or her account.



#### **3.8.3.7. Voids and Cancellations**

A transaction may be voided or cancelled by a retailer at a POS device. The void/cancellation message will include the trace number, the exact dollar amount, and other identifying information from the original transaction. The Contractor must accurately process the void or cancellation transaction and ensure that the effect of the transaction is immediately and appropriately reflected in the client's benefit balance.

#### **3.8.3.8. Reversals**

A POS transaction may be reversed if for some reason the completion of the transaction cannot take place at the originating POS device (e.g., communication failure with the device and/or a device malfunction, or a delayed response from the Contractor). When an authorized retailer, the TPP, or the POS device recognizes a transaction error, the retailer, TPP, or POS device must generate a reversal message to be sent to the Contractor. The reversal message must include the trace number, the exact dollar amount, and other identifying information from the original transaction. The Contractor must accurately process the reversal transaction and ensure that the result is reflected immediately and appropriately in the client's benefit balance. Reversal transactions generated in any given month must not exceed one percent (1%) of all transactions.

#### **3.8.3.9. Adjustment Processing**

The Contractor, the retailer, or the TPP may initiate an adjustment to resolve errors and out-of-balance conditions related to System problems. The Contractor, in responding to a client complaint, may unilaterally initiate an adjustment to resolve a transaction error. The adjustment will reference the original settled transaction that is determined to be partially or completely erroneous. The Contractor must process the adjustment and ensure that the result is reflected in the client's benefit balance immediately. Federal regulations in 7 CFR 274.12 provide requirements regarding the recording, tracking, and processing of these types of adjustments. Adjustments made by the Contractor must be in compliance with these regulations, cause funds to be moved either to or from the client's benefit balance, and affect the daily settlement. The Contractor must notify the State of pending debit adjustments so that notification can be provided to the client no later than twenty-four (24) hours following the request for an adjustment.



#### **3.8.3.10. Store and Forward**

At its discretion, a retailer may store and forward transactions at a future time, in accordance with FNS regulations as implemented by the Federal Food Stamp Program, Regulatory Review: Standards for Approval and Operation of Food Stamp EBT Systems Rule. The Contractor must follow the Interim Rule and provide functionality for the one-step Store-and-Forward process. The Contractor's agreement with the retailers must specify the FNS requirements for performing store-and-forward transactions and must require the retailer to disclose at the time of Contract signing whether they would ever perform Store-and-Forward transaction processing.

Furthermore, the Contractor's operational protocols must be designed to prevent merchants from re-presenting vouchers in subsequent months. Re-presentation to obtain any uncollected balance from current or future months must not be allowed for Store-and-Forward transactions. Respondents must describe their plan for implementation of Store-and-Forward transaction processing and their operational protocols for preventing re-presentments of denied Store-and-Forward transactions.

#### **3.8.3.11. Key-entered Transactions**

The Contractor must accept and process transactions in which the PAN has been manually entered (key-entered) into the POS device. Transactions may be key-entered at times when a card presented by a client is damaged and/or the POS device is unable to accurately read the magnetic strip. The validation of the client's PIN is still required on key-entered transactions. If a PIN pad is defective or other conditions exist under which a PIN does not accompany the transaction to the EBT host for processing, the Contractor must deny the transaction.

The Contractor must adopt other security measures to prevent client and retailer abuse or misuse of the key-entry feature. The Contractor must ensure that the PAN printed on the transaction receipt is truncated, and the Contractor must be able to selectively disable or deny the capability of a single EBT-only POS device or group of devices from completing key-entered transactions. Finally, the Contractor must track key-entered transactions by card number and by retailer site. Respondents must propose procedures for promptly reacting to client reports of malfunctioning or defective equipment at retailer sites, including both EBT-only POS devices and retailer-owned devices.



#### **3.8.4. Transaction Fees**

FNS regulations prohibit charging a client a fee of any kind for any FS transaction. Thus, the Contractor must not levy a fee, directly or indirectly, on the client. Respondents must describe their process to ensure that the retailer does not levy a fee, directly or indirectly, on the client.

### **3.9. Retailer Management**

The Contractor must assume primary management of retailer participation in the State's FoodShare EBT program. The Contractor's responsibilities in this role include the following products and services, costs of which will be borne by the Contractor:

- Providing every FNS-authorized retailer the opportunity to link to the System
- Ensuring, to the extent possible, that the System is interoperable with other States' EBT Systems as defined in 7 CFR 274.12
- Ensuring that a sufficient number of retailers have agreed to participate in the FS program to allow clients adequate state-wide access to FS benefits
- Ensuring that all participating retailers understand their responsibilities in regard to the policies, operating rules, and operation of the System. The Contractor must enter into an agreement with each retailer in accordance with 7 CFR 274.12 (h)(6). The State must have access to these agreements upon request.
- Maximizing the use of existing commercial POS terminals
- Installing, maintaining, and otherwise supporting Contractor-provided, EBT-only POS equipment as necessary, in accordance with FNS policy for retailer participation as defined in 7 CFR 274.12
- Providing RCSC services to retailers to resolve issues and problems concerning Contractor-supplied EBT-only POS equipment and to assist in resolving settlement and dispute issues

The State claims no right of ownership over any equipment provided to retailers (e.g. POS terminals) nor will it be responsible for its maintenance or replacement beyond the terms and associated costs of this RFP and its ensuing Contract.



### **3.9.1. Current Environment Description**

The Current Contractor, under contractual relationships with Wisconsin retailers, provides EBT-only terminal driving and RCSC services. The following data, as of September, 2005, relates to EBT-only retailers and EBT-only terminal driving:

- Number of retailers with EBT-only equipment: 761
- Number of non-electronic retailers: 153
- Number of integrated retailers: 1,110
- Total Number of Retailers: 2,024
- Number of Verifone Tranz 330 devices deployed: 793
- Number of Phone lines provided to Retailers for RCSC support: 3

### **3.9.2. Service Requirements (FNS Standards)**

Federal regulations in 7 CFR 274.12(h)(1)(ii) require that newly-authorized retailers have access to the System within two weeks of receipt of their authorization notice from FNS. However, should a retailer choose to employ a TPP to drive its terminals or elect to drive its own terminals, access to the System must be accomplished within a thirty (30) calendar day period or a period mutually agreed upon by the parties involved. The Contractor must perform all required functional certifications within these timeframes.

The regulations also require the following regulations for leased line communications: ninety-eight percent (98%) of transactions must be processed within ten (10) seconds or less, and one hundred percent (100%) of transactions must be processed within fifteen (15) seconds or less. Regulations for dial-up systems are as follows: ninety-five percent (95%) of transactions must be processed within fifteen (15) seconds or less, and one hundred percent (100%) of transactions must be processed within twenty (20) seconds or less.

#### **3.9.2.1. EBT-Only Retailers**

According to Federal regulations at 7 CFR 274.12(h)(4)(ii), POS terminals must be deployed as follows:



- Authorized food retail stores with Food Stamp benefit redemption that amounts to fifteen percent (15%) or more of total food sales must be equipped with one POS terminal at each checkout lane.
- Authorized supermarket food retailers with Food Stamp benefit redemption that represents less than fifteen percent (15%) of total food sales must, at a minimum, receive one terminal for every \$11,000 in monthly redemption activity, up to the number of lanes per store. All non-supermarket authorized food retailers must receive one terminal for every \$8,000 in monthly redemption activity up to the number of lanes per store.
- Newly-authorized food retailers must negotiate with the Contractor to arrive at a mutually agreeable level of terminal deployment, up to the number of lanes per store. If the Contractor and the food retailer are unable to reach a mutual agreement, the State will make the final decision.

The Contractor will be allowed to provide additional POS equipment to retailers that wish to obtain such equipment from the Contractor. The Contractor will be allowed to charge the retailer for providing and supporting this additional equipment. However, any agreement covering such an arrangement must be between the Contractor and the retailer; the State will not be party to any such agreements nor will it cover the cost of this optional equipment.

The Contractor may charge retailers reasonable fees resulting from abuses, breach of contract, or negligence on the part of the retailer. Specific circumstances are identified in 7 CFR 274.12(h)(2).

### **3.9.2.2. Third Party Processors (TPP)**

To support retailers that deploy their own terminals, Respondents must propose interface specifications that would enable these retailers and third party terminal drivers to interface directly with the Contractor for performance of transactions. The Contractor must provide these specifications to such retailers and third party terminal drivers upon request, following implementation of the Contract. The Contractor must not unduly withhold certification for retailers and third parties who enter into direct-connect arrangements with the Contractor

The Contractor must ensure that TPPs connected to the System comply with FNS regulations and State requirements. All TPP agreements between the Contractor and the TPP or its retailers must be reviewed and approved by the State and FNS. At the State's request, the Contractor must enforce all provisions of these agreements, should problems become evident in TPP activities.



Requirements include, but are not limited to:

- Terminal IDs: TPPs must assign each terminal a unique ID and include this ID in each transaction message. The Contractor must include these IDs in the Anti-Fraud Locator for EBT Retailer Transactions (ALERT) data submitted to FNS. See Section 3.12.10.3. for more information on ALERT.
- Transactions: TPPs must support the entire transaction set included in the FNS regulations. The Contractor must process all of these transactions.
- Interoperability: TPPs must process transactions for Cards issued by any state on all POS equipment they support.
- Client Balance Information: TPPs must display the client's remaining benefit balance on the printed receipt generated by any POS equipment they support.
- Serving only FNS-authorized Retailers: TPPs must route FS transactions only for those retailers authorized by FNS to redeem FS benefits.

### **3.9.3. Group Home Support**

In addition to traditional retailers, the FS Program may include the following entity-types as eligible vendors: treatment centers for drug and/or alcohol abuse patients, group living centers for the blind and/or disabled, shelters for battered women and children, meal-providers for the homeless, restaurants, community dining facilities for the elderly and/or disabled, meal-delivery services, and route vendors.

Being designated as a retailer in this setting may not necessarily require the installation of POS equipment. However, group homes that meet the monthly minimum food stamp redemption total and are authorized by FNS as retailers in the Food Stamp Program must have the option to receive EBT-only POS devices. To support these facilities, the Contractor must install POS devices directly in these facilities. This allows benefits from the client's account to be deposited into the facility's bank account at its financial institution by the same methodology used for any other authorized merchant.



### **3.10. EBT Administrative Application**

The Contractor must support administrative transactions from an EBT Administrative Application (hereinafter referred to as the EBT Administrative Terminal). The Contractor must supply a secure, encrypted, internet web-based application for use by state staff and local / tribal workers, and other identified individuals as indicated below. As described in 3.0.1.1., the State has developed a web-based front end to its eligibility determination system called the CARES Worker Web (CWW). The Contractor must provide access to the EBT Administrative Terminal through the CWW as described below.

#### **3.10.1. Overview**

Federal, State and local agency staff use the Administrative Terminal application primarily for inquiries into the System. The Administrative Terminal is also used by authorized State staff specialists to establish and fund EBT accounts to utilize in fraud investigations. To a limited extent, State staff use the Administrative Terminal to cancel a client's EBT card, although the Contractor's CCSC performs the majority of this type of card maintenance. Transactions that originate at Administrative Terminals located in State and local agency offices must be sent to the Contractor in on-line processing mode. The Contractor must ensure that these transactions conform to the System-wide two (2) second response requirement.

##### **3.10.1.1. Access Requirements**

Upon implementation of the Contract, the Contractor must provide immediate access to the Administrative Terminal to State, local / tribal agency staff, and Federal agencies, as designated by the State. The Contractor must provide FNS with administrative access and support as necessary for USDA staff in at least the following locations: the Madison field office, the Midwest regional office, the FNS Compliance office in Chicago, IL, and the OIG investigative office in Chicago. Contractors may be asked to provide administrative software access and support in other locations, as well. Respondents' Proposals must detail their ability to successfully implement this access and support within ten (10) business days of Contract implementation.

##### **3.10.1.2. Infrastructure Requirements**

The Contractor must provide Administrative Terminal software and communication protocols as appropriate for all users. Respondents must clearly explain their approach to providing Administrative Terminal functionality, including access controls, and must specify the hardware and software necessary to support this function. The State is currently provided Administrative Terminal



support through an SNA interface utilizing 3270 terminal emulation. The State plans, however, to move to a browser-based Administrative Terminal application utilizing TCP/IP as the communications protocol. Respondents must thus address their specifications to the TCP/IP standard (see Attachment H).

Respondents must clearly define the hardware and software infrastructure required to support their Administrative Terminal application in State and local agency offices, and to all other users identified in 3.10.1.1.

#### **3.10.1.3. User Profile**

Administrative Terminal functionality must include multi-level access controls to ensure that only authorized individuals can process administrative transactions or access client account information through EBT Administrative Terminals. The Contractor must provide a security mechanism for the Administrative Terminal in which user profiles can be established based upon the specific Administrative Terminal functions necessary for a specific user to perform his or her authorized work activities. Each Administrative Terminal user, as he or she is granted access, must be assigned a specific user profile based upon the requirements and scope of his or her position. The State will define the user profiles with the assistance of the Contractor. It is estimated that approximately ten (10) user profiles will be required by State and local agencies.

#### **3.10.1.4. Security Administration**

Security for the EBT Administrative Terminal must be integrated with the CWW security system so that a CWW user will not be required to log-on to a separate system. Responsibility for oversight of the Administrative Terminal security system must rest with the State. The Contractor must assume responsibility for training, as needed, in administering the security of the system. Such training must take place as directed by the State.

#### **3.10.1.5. Functionality**

Respondents must describe the functionality of the Administrative Terminal in terms of navigation and data presentation. To the extent possible, the State requires navigation and data presentation to be integrated with the CWW.

The primary Administrative Terminal inquiry screens used by the State and local agencies are the Client Account Information Inquiry and the Card Inquiry screens. Navigation and data formatting on these screens must be efficient and simple to both understand and operate. All inquiry data must be accessible from the Client Search screen, once the appropriate client has been located.



Access to Update screens must be limited to appropriate State and local agency personnel.

The transaction set to be supported by Administrative Terminals must include the following:

- Fraud Screens: Account Set-up functionality is used by the State to set up EBT accounts for use in fraud investigations. In addition, Benefit Authorization functionality is used by the State to add benefits to fraud investigators' EBT accounts
- Account Maintenance
- Benefit Cancellation: This functionality is used to cancel benefits sent to the Contractor in error (i.e., prior to the availability date or under any other erroneous circumstances recognized by the State or the Contractor)
- Card Status Change: While the majority of changes to Card status is handled by the CCSC, this functionality is occasionally used by the State to cancel Cards.
- Card Replacement: Local agencies use this functionality to replace a previously-issued Card with a Vault Card.
- Client Search: by Name, Card, Case, and Social Security Number (SSN)
- Client Account Information Inquiry: (Client Demographics, Benefit Data)
- Retailer Search: (by Name, and /or FNS Authorization Number)
- Card Inquiry: This functionality is used by the State and local agencies to query Card details, such as date issued and date cancelled
- Card History: This functionality is used by the State and local agencies to research the history of Card issuance, Card replacement, and PIN selection through the ARU and/or PIN-Select device
- Transaction History Inquiry (by PAN and FNS Number). See 3.10.1.6. for components of this Inquiry



- Adjustment Status Update: This functionality is used by the State to update the adjustment status for a Fair Hearing requested or decision issued.
- State Issuer: (On-line Settlement Screen)
- Update Inquiry: (Batch Transmission Status)
- Repayment: This functionality is used by local agencies to process a repayment of benefits from the account
- Dormant Account Maintenance: This functionality is used by the local agencies to reset the account from Dormant to Active
- Reset Password: This functionality is used by State staff to reset passwords for users who access the Contractor's system
- Pending Benefit Search: This functionality is used by the State and local agencies to find benefits that have not yet reached the benefit availability date
- Pending Card Search: This functionality is used by the State and local agencies to determine that a Vault Card has been issued a PIN, but that the Card has not yet been linked to the account via the Card Replacement functionality
- Pending Demographic Search: This functionality is used by the State and local agencies to determine if demographic information exists without any associated benefit record.

#### **3.10.1.6. Transaction History**

Current account balances and a rolling ninety (90) calendar day transaction history for each account must be maintained for on-line access through the Administrative Terminal. After this period, these records must be maintained off-line for a period of not less than three (3) years after the end of the fiscal year to which they pertain, unless audit or investigative findings have not been resolved. Should unresolved audit or investigations remain outstanding, the records must be retained until all issues raised in such audit or investigation have been resolved and closed. Data included in transaction history inquiries must include at least the following:



- PAN
- EBT Account Number
- Client Case Identification Number(s)
- Retailer Identification Numbers (both FNS and Acquirer)
- Regulation E Data for Retailer Information (See Regulation E of Title 12, Banking Regulations, Electronic File Transfer)
- Terminal Identification Number
- Transaction Type
- Transaction Amount
- Client Balance
- Manual Voucher Information
- Transaction Date and Time
- Transaction Results (Approval Code or Denial Reason)
- Swiped / keyed indicator

Respondents must describe how data maintained off-line is retrieved and define the timeframes involved.

**Alternative Service Option:** Respondents must propose pricing for the optional service of maintaining on-line transaction history data for an ongoing period of one hundred eighty (180) calendar days.

### 3.11. Client Internet Access

The State has developed a web-based Internet application for its recipients known as ACCESS ([www.access.wisconsin.gov](http://www.access.wisconsin.gov)). The website allows Wisconsin citizens to self-screen for programs to see for which program(s) they may be eligible. In addition, current recipients are able to view their benefits through a feature called “*Check My Benefits*”. Clients sign up for this feature and receive a user ID and password which allow them to login and check the status of their Medicaid and FS information. The State considers this the only Internet portal available to its benefit recipients. Respondents must describe how they will support this Internet portal following implementation of the Contract.



The State would like to enhance the website's usefulness to EBT clients in the following functional areas:

- Viewing their account balances
- Viewing a listing of the last ten (10) transactions
- Viewing the previous ninety (90) calendar days of transaction history, including transactions just completed
- Changing the PIN on their EBT Card, and
- Supporting other client-initiated activities such as reporting the Card lost or stolen or requesting an adjustment for a system error.

The Respondent must describe how their System will support the State's Internet portal at a functionality level no less than that described above. Additionally, Respondents must describe how they would achieve the goal of providing near real-time displays of all indicated data within one (1) year of Contract implementation.

### **3.12. EBT Reporting**

The Contractor must accommodate the informational needs of the State and FNS in its reporting package. The information required by the State and FNS must be provided electronically or through other media that are mutually agreed upon. The Contractor must ensure that most reports are available for viewing, downloading and printing through direct access. Respondents may also propose alternative access methods, such as internet-based delivery.

The Contractor must distribute appropriate daily, weekly and monthly reports to the State. The distribution of the reports must be in an electronic format, but the method for distribution of reports will be finalized during the Design Phase. However, Respondents must state in their Proposals their preferred method for distributing reports. The Contractor must also be able to support the retransmission of previously produced reports to the State, as requested. The Contractor must be able to support at least the following requests: requests for reports from the two (2) months previous to the current month, and requests for reports from the last seven (7) days.

The Contractor must provide report training and report manuals to the State in electronic and hard copy format for the State to use at its discretion prior to implementation of the System as configured under this RFP. Refer to Training Requirements (Section 3.5.3.2).

The reporting system must produce information at the State and local agency level in summary and detail formats. Settlement and reconciliation reports will be consolidated at the State level.



The Contractor must provide to the State a daily transaction history file of all transactions affecting benefit authorizations for reconciliation, audit, and investigative purposes. Other files required by the State are listed in 3.12.9.

General categories of current State reports are described in Sections 3.12.1 through 3.12.8. Although it is not expected that the formatting of the reports be precisely replicated, the Contractor must provide the data elements currently obtained by the State. The State will have advance approval rights over all reports, data, and format to be provided by the Contractor both initially and in subsequent modifications. Additionally, the State will determine, on an ad hoc basis, whether the Contractor must provide the required information by means of a data file or in full report format.

Respondents are encouraged to review current System reports and to suggest new report formats, and/or new types of reports that would enhance the State's ability to manage the System in the most efficient and cost-effective manner. While hard copies of most of the reports outlined in the following passages are available for viewing by Respondents as they develop their Proposals, Respondents are strongly encouraged to explore alternate means of providing the State with the specific and the general class of information that is currently contained in these reports. The State is particularly interested in the Respondent's ability to offer new report formats, types, classes, and especially delivery methods that would offer the same or better information compared to what is currently being generated. For example, Respondents are encouraged to explore data extract files to make data available to the State in lieu of some or all of the pre-formatted reports currently produced and illustrated in Attachment F. In addition, Respondents may suggest consolidating and/or reformatting some or all of the current reports. Supplying the data now contained in these reports (or any new permutations thereof) in the form of electronic extracts which the State can use in its current data warehouse environment would be seen as a desirable innovation in this process.

To arrange for access to the reports as they are currently configured, Respondents must contact the appropriate State staff mentioned in Section 1.3. Some reports cited are not yet developed but the data elements they provide are viewed as a clear need by the State and fall equally into the same parameters as the requirements and suggestions stated above.

During the Operational Phase, the Contractor must submit to the State any changes proposed to the reporting package, the format, or the delivery mechanism of any single report or group of reports. The Contractor must receive State approval prior to implementing any proposed changes.

### **3.12.1. Financial Reports**

Financial reports are those reports needed by the State to account for, reconcile, balance, and audit system processing and operations.



#### **3.12.1.1. Terminal Activity Reports**

The Contractor must produce daily Terminal Activity Reports showing all transactions that result in funds being moved (i.e., settled) to a retailer or TPP. This report must list at least the following information: transaction amount, transaction date and type, settlement date, retailer and terminal identifier, and benefits affected. The report must provide settlement totals for each entity for which funds will be moved as well as suspense totals, if any, for transactions that will not be settled until the next processing day.

#### **3.12.1.2. Clearing Report**

This report must indicate, at a summary level, the total funds to be settled for each processing day. This report must balance with the totals from the Terminal Activity Reports.

#### **3.12.1.3. Database Value Report**

This report must calculate the value of the outstanding liability for unused benefits residing on the system at the end of each processing day. The ending balance for the previous day must become the beginning balance for the current processing day. The ending balance for the current processing day must be reconciled by taking into account the beginning balance for the processing day, which is the ending balance from the previous day, and adding or subtracting, as appropriate, the account activity detailed from both the Terminal Activity and Account Activity Reports.

### **3.12.2. Support Reports**

Support Reports are those reports used by the State to control and account for activities such as Card Issuance that takes place on the system but are not specifically used in the financial settlement and reconciliation process.

#### **3.12.2.1. Administrative Action Reports**

The Contractor must produce a daily Administrative Action Report that lists all administrative actions attempted and completed either by the System or by users logged on to the System. The report must identify the transaction type and the client account affected. Administrative actions currently include changes to Card status, account data (repayments), account status (dormant to active), and benefit expungements.



#### **3.12.2.2. Card Production / Mail Date Reports**

The Contractor must produce a daily report showing the number of Cards produced and the date the Card manufacturer placed initial Cards and replacement Cards into the mail.

#### **3.12.2.3. Card Issuance / Re-issuance Reports**

The Contractor must produce audit and statistical reports of cards issued and/or reissued to clients. Audit Reports must provide detailed data by Card issued and must include the following information: reason for issuance (e.g., initial issuance or replacement for lost/stolen Card) manner of Card issuance (i.e., over the counter or via the postal service). Statistical Reports must provide data needed to manage the EBT program. Examples currently include Card reissue rate and the reasons for re-issuance.

#### **3.12.2.4. Batch Processing Reports**

The Contractor must produce a standard set of Batch Processing Reports to be used by both the Contractor and the State to ensure the complete and accurate transfer of data during nightly batch processing. These reports must include a Summary Report organized by File Transmission that provides a confirmation of the processing of the batch file(s). The Summary Report must contain summary verification data, including the total number of records received in the batch and the number of records by record type (e.g., number of add, change, and delete records). The report must contain a summary of the processing of the transmission (i.e., number of records accepted and number of records rejected).

#### **3.12.2.5. Batch Exception Reports**

The Contractor must produce a Batch Exception Report for all batch files sent by the State. Batch Exception Reports must contain a listing of all records forwarded within a batch but not processed by the Contractor. Each record included on the Exception Report must have a corresponding code indicating the reason for the rejection. In particular, duplicate case exceptions must be clearly identified.

#### **3.12.2.6. Administrative Terminal Benefit Authorization Report**

The Contractor must produce a report of all benefit authorizations that are added to the System through the Administrative Terminal. This audit report must include at least the following information: the benefit amount and the User ID of the Administrative Terminal operator adding the benefit.



#### **3.12.2.7. Retailer Voucher Report**

The Contractor must produce a daily report by individual retailer of all voice authorizations of transactions performed. This report must contain at least the following information: the retailer name and FNS number, the transaction amount and type, voucher number, authorization number, card number, and transaction date and time. The Contractor must also provide a monthly summary Retailer Voucher Report by retailer.

#### **3.12.2.8. Monthly Out-of-State Activity Report**

The Contractor must produce a monthly report of all Wisconsin clients initiating transactions outside the State of Wisconsin.

#### **3.12.2.9. Transaction Denial Summary Reports**

The Contractor must produce a monthly statistical report that provides the number and percentage of client transactions denied and the reason for denial (e.g., NSF or invalid PIN).

#### **3.12.2.10. Fraud Reports**

The Contractor, upon the State's specific request, must produce a set of Fraud Reports designed to provide the State with the tools to manage and detect fraud within the FS Program. Examples of activities that might appear in separate and/or combined Fraud Reports include, but should not be limited to even dollar transactions, unusually large transaction amounts, multiple withdrawals from the same account on the same day, and frequent manual card entry transactions. Respondents are encouraged to expand upon Fraud Reporting in their Proposals.

#### **3.12.2.11. Host Response Time Report**

The Contractor must produce a monthly report containing a summary of Contractor Host response times. This Report demonstrates how response times do or do not meet expectations of pre-established tiers.

#### **3.12.2.12. Adjustment Reports**

The Contractor must produce a daily report of all debit and credit adjustments that occurred the previous day. The Contractor must also produce a daily report by client, indicating which claims were denied or adjusted by debit.



### **3.12.3. Statistical Reports**

Statistical Reports are those reports that assist with the management of the System as a whole. Respondents are encouraged to suggest enhancements to the number or nature of reports which could improve or enhance the State's or the Contractor's management capabilities. At a minimum, however, the data elements currently produced must be maintained.

#### **3.12.3.1. Monthly Utilization Report**

The Contractor must produce a report detailing the total number of transactions and the combined total amount of purchases and reversals for each retailer.

#### **3.12.3.2. Network Statistics Report**

The Contractor must produce a monthly report providing a summary of transactions by time of day and day of month. The purpose of this report is to illuminate peak processing times within the System.

#### **3.12.3.3. Management Statistics Report**

The Contractor must produce a monthly summary report of transaction activity at the State and local agency level. Statistics provided in this report must include at least the following information: benefits authorized for the previous month, the number of active cases on the System, the number of active Cards on the System, and the number of Cards issued and re-issued during the month.

#### **3.12.3.4. Monthly State Claim Report**

The Contractor must produce a monthly report outlining claim activity. This report must identify the date on which a claim (dispute) was opened during the month, the date the claim was closed, and the total duration of time that the claim was in active status. The purpose of this report is to determine, with a minimum of research, whether claims are being resolved within the prescribed time limit and to identify any patterns or trends indicating underlying problems.

### **3.12.4. Administrative Terminal Security Reports**

The Contractor must produce a monthly Administrative Terminal Security Report identifying the users of all Administrative Terminals, the level and type of access provided to these users. Although not required on the monthly report, the Contractor



must maintain an audit trail of the actual transactions performed by each user. This information must be provided to the State upon request.

#### **3.12.4.1. Access Definition Reports**

The Contractor must produce a monthly report listing each user authorized to access data. The report must also detail the level of access afforded the user through the Administrative Terminal. In addition, reports must (1) list those users who did not access the System during the current month and (2) list those users who did not access the System during the last six months.

#### **3.12.4.2. Failed Logon Report**

The Contractor must produce a daily report of all users failing in their attempts to logon to the System.

#### **3.12.4.3. User Session Activity Report**

The Contractor must produce a monthly report by User ID of all actions taken by users logged on to the Administrative Terminal.

### **3.12.5. Management Reports**

Management Reports must be produced by the Contractor and must provide the State with the current operating status of the System as a whole. The following reports must be provided to the State on a weekly and/or monthly basis, as called for in their descriptions. Respondents are encouraged to propose additional information to be contained in each report described below, additional reports, alternative formats, or additional formats that would enhance the State's effectiveness in overseeing the broader FS program.

#### **3.12.5.1. Project Implementation / Conversion Reports**

This report, which summarizes major tasks and scheduled activities completed during the reporting period, must be produced and submitted weekly. The report must include information regarding the status of:

- POS Device Deployment and Installation
- Training (State, clients, and retailers)
- Card Issuance
- Retailer Agreements



The report must also include the following information: identification of problems, description of required corrective action, and definition of timeframe for resolution; a report on the status of tasks required by Federal agencies and the State; identification and status of delayed tasks and a list of reasons for delay; revised completion date(s) for tasks; and a list of scheduled activities identified for the next reporting period.

#### **3.12.5.2. Project Status Report**

This report must be produced on a monthly basis. It must summarize the current status of significant events and accomplishments that occurred during the period, such as: current status of outstanding issues and problems and the status of pending enhancement requests and system change orders. Respondents must propose formats and frequencies for reporting these issues and others they may identify as significant to the State in monitoring the overall status of the System.

In addition, the Contractor must report its progress in meeting or exceeding the standards, requirements, and definitions specified in 7 CFR 274.12, et seq. Specifically, the System Status Report must detail the performance of the System against the following processing requirements:

- The total System under the Contractor's control, either directly or contractually, including central computer, all networks, intermediate facilities, and central processor, must be available 98% of scheduled uptime.
- The host computer must permit no more than two (2) inaccurate transactions per 10,000 transactions processed.
- Benefit authorizations to EBT accounts and ACH settlement must occur accurately and on schedule.

#### **3.12.6. Customer Service Statistics Reports**

The Contractor must produce reports on a monthly basis that provide relevant statistics, indicating the effectiveness of customer service functions for both the CCSC and RCSC. Statistics for ARU-use as well as statistics regarding the resolution of client problems handled by CSRs must be also reported. Specifically, the Contractor must produce the following reports:



#### **3.12.6.1. Monthly CCSC Statistics**

This report must provide a summary of the number of telephone calls received at the CCSC by reason (e.g., lost/stolen card, balance inquiry, transaction history, PIN selection) handled both through ARU and CSRs. Daily statistics regarding CCSC performance (e.g., number of calls, number of rings before answered, number of abandoned calls, number of busy signals received) must be collected and delineated in this monthly CCSC report. Statistics regarding language selected through both ARU and CSRs must also be included.

#### **3.12.6.2. Monthly RCSC Statistics**

This report must provide a summary of the number of calls received at the RCSC by reason (e.g. food stamp voice authorization, terminal problems, or settlement questions) through both ARU and CSRs. Statistics regarding retailer help tickets, including number of tickets opened, tickets closed, and reason for ticket, must be provided. Daily statistics regarding RCSC performance (e.g. number of calls, number of rings before answered, and number of abandoned calls) must be collected and delineated in this monthly RCSC report. Statistics regarding language selected through both ARU and CSRs must also be included.

#### **3.12.7. Billing Reports**

The Contractor must submit to the State both a print copy and an electronic copy of its invoice for services, representing the monthly billing under the Contract. The invoice must include sufficiently detailed information to allow the State to affirm the validity of the direct Contractor costs as well as those costs passed through to the State (e.g., payphone surcharges on calls made to the CCSC).

The State will make monthly payments to the Contractor based on the Cost Per Case Month (CPCM) for core services and optional services, as contracted. By submission of the response to this RFP, the Respondent acknowledges its understanding and agreement to the payment conditions as proposed by the State or otherwise negotiated. Respondent also acknowledges the following payment exclusions:

- The State will not reimburse the Contractor in a manner or for services other than those specified in the Proposal and Contract.
- The State will not pay in excess of the appropriate CPCM, which is negotiated between the State and the contractor.
- The Contractor acknowledges that the State may withhold or reduce payments in accordance with provisions in the Contract and in the Performance Standards included in this RFP.



### **3.12.8. “Ad-Hoc” Reports**

Although requests for “ad-hoc” reports are not expected to occur frequently, there are times when additional reporting regarding data residing on the System may be required. The Contractor must honor requests for “ad-hoc” reports on a timely basis. The State and the Contractor must develop a protocol for requesting “ad-hoc” reports. This protocol must address issues such as cost of the specific report and expected timeframe for completion of the work.

### **3.12.9. State Data Files**

The Current Contractor provides certain data files to the State on a regular basis. These files are

- Account Activity File by benefit level (received daily)
- Account Activity File by transaction level (received daily)
- Benefit Aging File (received daily)
- Vault card inventory File (received daily)
- Unlinked benefit file (received daily)
- Emergency demographic return file (received several times daily)
- Emergency benefit return file (received several times daily)
- Daily demographic return file
- Daily benefit return file
- Monthly benefit return file
- Card file (received daily)
- Claim Adjustment file (received daily)

The existing formats of these files are defined in Attachment F. When discussing the submission of these files in their Proposals, Respondents must adhere to the formats defined in Attachment F.

### **3.12.10. FNS Data Files**

The Contractor must support all data requirements promulgated by FNS. The three data files described below must be submitted to the Federal government on a periodic basis as defined by FNS.

#### **3.12.10.1. Account Management Agent (AMA) File**

Each business day, the Contractor must submit the data necessary to support increases/decreases to the project's Automated Standard Application for Payments System (ASAP) account balance in the Federal Reserve Bank of Richmond. The



Federal Reserve Bank will serve as the AMA for the FNS Food Stamp Program EBT benefit account. The AMA must establish an interface with the Treasury Department's ASAP and must establish ASAP account funding limits for the State for Food Stamp EBT activity. Consequently, the Contractor must establish an interface with the AMA to provide the data necessary for conducting these transactions. This data must be provided in a prescribed file format (see Attachment F for the specifications of this file format).

#### **3.12.10.2. Food Stamp Redemption Reporting**

The Contractor must submit detailed daily Food Stamp redemption data by retailer identification number to the Store Tracking and Redemption Subsystem (STARS) and the FNS Food Stamp redemption database through the Benefit Redemption Systems Branch (BRSB) in Minneapolis. The data format and requirements of this file are specified by FNS. The data elements and file format for this data are illustrated in Attachment F.

#### **3.12.10.3. Anti-Fraud Locator for EBT-Retailer Transactions (ALERT)**

From the time of Contract implementation, the Contractor must provide retailer transaction history on a monthly basis to FNS through the ALERT file. The data element requirements and layout for this file can be found in Attachment F.

Respondents must address the methodology to be employed in the Transition Phase (Section 3.13 below) regarding file transmission in this area. One alternative would provide for two separate files of individual transaction data for ALERT sent to FNS for the conversion month (i.e., one file from the Current Contractor for transactions occurring prior to the conversion date and another file from the New Contractor for transactions occurring subsequent to the conversion date). Alternately, the New Contractor would provide the ALERT data file for the entire conversion month. The State prefers the former option (i.e. file transmissions from both the Current and the New Contractors).

#### **3.12.10.4. Retailer Validation (FNS Retailer Number)**

The Contractor must validate that all transactions originated at an FNS-authorized retail location. The Contractor must maintain a database of authorization numbers for all FNS- authorized retailers, in accordance with the Retailer Participation Requirements specified in 7 CFR 274.12(h). The Contractor must access the FNS REDE System daily to obtain updates of the national and/or State REDE files used to validate authorized FNS retailer numbers. The Contractor must verify that the correct retailer identification number is associated with an FNS-authorized retailer prior to completing the processing of a transaction.



### **3.13 Transition**

If required through the outcome of this RFP, transition from the Current Contract to a New Contract must involve the three components described in Sections 3.13.1, 3.13.2, and 3.13.3. Should the Contract remain with the Current Contractor, certain portions of Section 3.13 and its subsections may be rendered inapplicable. In describing this process, Respondents must address migration of the client, retailer, and provider databases as they affect account aging information and expungement dates; transaction history; and recipient card, demographic, and benefit data. For additional guidance on transition issues, refer to the FNS EBT System Transition Guide at <http://www.dhfs.state.wi.us/foodshare/ebt/default.htm>

#### **3.13.1. EBT-Only POS Terminals**

Ninety-five percent (95%) of all existing EBT-only terminals (with attached PIN pad devices) must be replaced or converted to accept transactions from the Contractor prior to the EBT Account Database conversion. It is critical that the conversion of EBT-only equipment not cause interruptions or changes to any client services. It is equally critical that the conversion to new terminals and terminal drivers not cause any adverse conditions to the business operations of entities using EBT-only terminals. Terminal conversion, in other words, must be seamless and unapparent to both clients and retailers

#### **3.13.2. EBT Account Database**

Conversion of the EBT Database from the Current Contract to the New Contract must take place overnight on a weekend and must be accomplished within the two month period before termination of the State's current Contract. The exact date of the conversion must be negotiated between the State and the Contractor. The Contractor must analyze monthly transaction volumes and propose a weekend when the least number of retailers and clients are likely to be affected. The entire conversion must be completed as expeditiously as possible within a timeframe mutually accepted by the State and the Contractor, but in no case may the process consume more than eight (8) hours. The conversion must be conducted in such a manner as to render a stand-in of clients' transactions unnecessary (See Section 3.8.3.5. for further information concerning stand-in processing).

The Contractor must:

- Perform significant testing of the conversion process, including performing test transactions against the converted database in the Test System. Testing must also validate that PINs have been transferred successfully. FNS requirements mandate at least two (2) trial runs of the Conversion Testing before conversion is considered successful.



- Import three years of archived transaction history from the Current Contract.
- Import ninety (90) days of online transaction history into the New Contract's System.
- Build adequate checkpoints and reconciliation procedures into the process to ensure that no benefits or records are dropped from the System during conversion.
- Prepare a detailed contingency plan to be implemented, should the conversion not be completed in a timely manner due to unforeseen circumstances.
- Mail two notices to Retailers. The first notice may, at the Contractor's discretion, be mailed three (3) to four (4) months before conversion, while the second notice must be mailed no later than ten (10) business days before conversion. These notices must be approved by the State and by FNS. The Contractor must allow FNS, the State, and the retailers no less than sixty (60) calendar days to review these notices. This sixty (60) calendar day period will begin when the Contractor initially submits the proposed notices to the State. Upon completion of this review, the Contractor must mail the notices to retailers on State letterhead provided to the Contractor.

#### **3.13.3. EBT Card Issuance**

The State has elected not to convert its existing EBT Cards to new card stock. The Contractor must continue to use the State's current card design, although minor modifications may be specified or approved by the State. The Contractor must continue current operations without replacing the Cards that have already been produced and issued. There must be no disruption to FS clients' benefit access or services.

#### **3.13.4. Transition From the Contract Awarded under this RFP Process**

At the termination of the Contract awarded as a result of this RFP process, a different vendor may be selected to deliver EBT services. Should this happen, the State would impose certain expectations on the Contractor selected under the current RFP process including, but not limited to:

- Working with the State, and any other organization(s) designated by the State, to facilitate an orderly transition of services;



- Working in a professional manner with the State's subsequent Contractor to execute a smooth and timely transition at the end of the Contract period;
- Coordinating with the subsequent Contractor on migration of customer service functions on the night of database conversion. This may require both parties to develop specific ARU scripts approved by the State for use during database conversion;
- Providing the State the right to serve as Mediator between the Current and New Contractor, any subcontractors, retailers, and TPPs;
- Supplying backup arrangements in the event of database conversion failure; and
- Allowing the State, at its option, to purchase all or some of the deployed POS devices at depreciated cost.

### **3.14. Disaster Recovery Planning**

During the System Design Phase (See Section 2.3.3.), the Contractor must develop a Disaster Recovery Plan demonstrating the Contractor's ability to meet all contractual requirements during and after the occurrence of a disaster as defined in this Section. This Plan must include a general inventory of off-site equipment and/or personnel that would be available to ensure that all Contract performance standards are maintained throughout the duration of an occurrence. The Plan must also describe how the security system and data integrity will be maintained throughout an occurrence, if this procedure differs from the procedure for maintaining security and data integrity that is employed under normal operating conditions.

For purposes of this RFP, "disaster" must be defined as an occurrence of any kind whatsoever that adversely affects, in whole or in part, the error-free and continuous operation of the System, its performance, functionality, efficiency, accessibility, reliability, and security. Disaster events include, but will not be limited to natural disasters, human error, acts of terrorism, failure of the electrical supply, and the failure of electronic data processing infrastructure under both the Contractor's and the State's purview.

In this Plan, the Contractor must establish policies and procedures for coordinating of advance plans and arrangements necessary to ensuring the continuity of critical functions of the System. The Contractor must describe the actions to be taken, the resources to be used, and the procedures to be followed before, during, and after the occurrence of any event that would render any or all functions supportive to the System inoperative. The Plan must cover all events of total or partial cessation of operations or destruction of the EBT Account Database or physical facility. Such planning must include the creation of procedures to be followed and the availability of equipment to be used for both automated and manual transactions, along with



documented, tested procedures, which, when followed, would ensure the availability of critical resources and facilities and maintain the continuity of operations. Contractors must describe how the use of proposed architecture, technical capabilities, and sound principles of organization itself will protect the System during emergency situations.

A formal test of backup operations must be conducted within three (3) months of System implementation. Subsequently, annual tests must be conducted.

Additionally, the Contractor must participate in and assist with the development of a State Disaster Plan, as it relates to the EBT System. Upon finalization of this Plan, the contractor must perform all assigned requirements agreed to in the Plan and incorporate such requirements into its own Disaster Recovery Plan. Among other assigned requirements, the contractor must maintain the capability to provide on paper or via electronic media (if available), the most current benefit balance available to clients.

#### **3.14.1. Contractor Systems**

In the event that the Contractor's system becomes unavailable due to a disaster occurring at its primary processing site(s), the Contractor must continue operations to the maximum level attainable under the particular circumstance through the use of a back-up site. Such site must have the capability to maintain host processing and telecommunications network services for an indefinite period of time. The Contractor must have this backup site in full operation mode to begin processing transactions within one hour of the onset of the disaster.

Additionally, Respondents must propose alternate means of operation during system outages that are so short in duration that switching over to a back-up site is not considered appropriate or necessary. Proposals must also include a description of how the State and the retailer community would be notified that an outage has occurred and that alternate means of authorization and processing have been invoked.

The Disaster Recovery Plan must also include a State notification process as well as disaster declaration criteria and timeframes for recovery that are acceptable to the State. The Contractor must notify the State immediately upon the Contractor's decision to move to a disaster back-up site to provide services. If the Contractor provides services to multiple states, the Plan must address the timing and order of recovery of Wisconsin, as compared to the other states being processed. The recovery of the Wisconsin System must not be delayed because the Contractor is recovering other states' systems

The disaster back-up site must be tested annually, and the Contractor must provide the State with copies of the test results within thirty (30) calendar days of receipt of such results.



### **3.14.2. State Systems**

Following the onset of a disaster occurring at the State's primary processing site(s), the Contractor must ensure the recovery of the link between the CARES and EBT interface systems at the State's primary data center back-up site. This support must consist of providing connectivity to the State's back-up site to support the transmission of data files and reports between the State and the Contractor. Initial support may consist of only dial-up access until a more robust solution can be implemented. The connectivity during the initial days of a disaster could also consist of passing tape cartridges between the Contractor and the State. In any case, the Contractor must provide support to the State in ensuring that benefits continue to be provided to clients without interruption during the recovery of the State's data processing systems. Additionally, the Contractor must work with the State's technical staff to provide uninterrupted Administrative Terminal support.

### **3.14.3. Extension of Benefits to Affected Populations**

In the event of a disaster due to natural causes, infrastructure failure, or acts of terrorism occurring within Wisconsin and affecting major segments of the population, the State has determined that FoodShare benefits must be extended to those State residents affected even though they would not qualify for FoodShare benefits under normal conditions. These persons will be referred to as 'Applicants'. In addition to serving the Applicants, the Contractor must ensure that benefits continue uninterrupted to clients already enrolled in FoodShare. The State has determined that sufficient infrastructure exists within the retailer community to utilize EBT as a means for providing benefit payments to all State residents affected by a disaster of this definition.

Under these circumstances, the State will use standard Vault Cards to deliver benefits to Applicants. Upon Contract commencement, the Contractor must provide the State an additional four thousand (4,000) Vault Cards, which the State will set aside for issuance under this plan. This allotment is in addition to the five thousand-(5,000)-Card initial allotment referred to in Section 3.3.5.5. Additionally, at contract commencement, the Contractor must deliver to the State three (3) PIN-Select devices that the State will set aside for deployment at one or more locations, if and when it becomes necessary to commence disaster operations. If an actual disaster occurs and the State should require additional Vault Cards or PIN-select devices beyond those set aside, the Contractor must deliver such additional items directly to the designated areas within three (3) calendar days from the date of the request.

Disaster FoodShare issuance must, as closely as possible, mimic normal issuance procedures. The State will not create a unique benefit type for disaster benefits. The Contractor must identify and track disaster benefits cases and issuances.

For localized disasters affecting a small geographic area, such as a tornado, the State may decline to invoke the 'Applicant' approach. However, the Contractor must ensure that current FS clients residing in the affected area receive their Cards with as little disruption



as possible. Therefore, the State will notify the Contractor in writing that all EBT cards that would normally be mailed to clients within the affected zip codes are to be mailed instead to an alternate location specified by the State.

### **3.15. Security Requirements**

The Contractor must establish and maintain an appropriate level of security related to services provided pursuant to this RFP. In providing security, the Contractor must comply with FNS regulations for EBT system security requirements in 7 CFR § 274.12(h)(3), regulations for state automated data processing and information retrieval systems in 7 CFR §277.18(p), and any additional security requirements set forth in this RFP.

Respondents must present a detailed plan describing the Security Standards proposed and their capabilities and qualifications in this regard. Respondents must specify the security controls to be employed under the Contract and must use industry-wide EFT standards and conventions in developing the plan to ensure a sound and secure operating environment.

#### **3.15.1. Facilities' Physical Security**

The Contractor must utilize physical security and access-control systems to ensure that only authorized personnel and visitors are allowed access to any facilities used to produce Cards, process data, or house any sensitive data. The control systems must have the capability to detect and report attempted unauthorized entries into the facility.

The Contractor must regulate access to primary and back-up data centers in such a way that the movement of all persons can be monitored and controlled by a security staff or other control process, including but not limited to the use of closed circuit television camera systems, card reader access systems, intrusion detection alarms, or equivalent systems. Respondents must describe the physical access controls to be utilized at all facilities. Any additional measures in place beyond those required herein should be described as appropriate.

The following represent minimum physical security protection measures that must be implemented to deny unauthorized access to and manipulation and/or sabotage of the data processing and telecommunications facilities.

- Entrance Security: Facilities must be secured on a 24/7 basis. The entrance(s) to the automated information systems and telecommunications facility(ies) must provide for controlled entry and be secured against forced entry.
- Locks: Facilities must be locked at all times when authorized personnel are not present. If undetected entry can occur while the facility is



occupied, counter-measures must be implemented to restrict unauthorized access.

- Keys must never be left in locks or hidden in an area near the lock. The distribution of keys must be strictly limited, and an effective system for monitoring keys in circulation must be established and enforced.
- Cipher- or proximity-swipe card type devices may be used during duty hours to control entry into a facility or certain sections of such facility. However, during non-duty hours, the cipher lock must not be used as a sole locking device. The cipher combination must be protected by shielding the view of the locking mechanism from observation by unauthorized personnel and must be periodically changed.
- Windows: Ground-level and second-story windows must have positive locking devices and electronic sensors installed. If conditions allow, windows must be rendered inoperable.
- Personnel Access Controls: Access to the operational site must be controlled and limited to authorized personnel. Employee access to controlled areas within the operational site must be controlled by electronic access or other comparable procedure. Guests, including vendors, must be required to sign in and must be assigned a temporary identification badge or other comparable control in order to be permitted access to the facility or to appropriate areas within the facility. Guests must be escorted at all times, and guests must surrender their badges upon exiting the facility.
- Data Storage Security: When not in use by other operations, all data on portable media, including but not limited to magnetic tapes, diskettes, removable disk packs, paper listings, and microfiche, must be stored in secured, access-controlled areas accessible only to authorized personnel.
- Fire Protection and Suppression: All facilities, including all data storage areas, must be equipped with systems that detect and suppress fire in the incipient stage.

### **3.15.2. EBT System Security**

The Contractor must establish and maintain an appropriate level of security related to services provided pursuant to this RFP. This section addresses security and control requirements pertaining to the development and overall operational characteristics of the



information and processing systems. Respondents must describe systemic and procedural controls for each of the following items and any other controls they perceive as necessary to System operations.

- Control of Card Stock: Respondents must describe all system and procedural controls to ensure that unissued Card stock is properly safeguarded against loss, theft, and/or abuse. The Contractor must be responsible for and bear all liability for unissued card stock until such stock is received by the State.
- Control of PINs: Respondents must describe all system and procedural controls which ensure that access to all PINs, whether assigned or selected, is strictly controlled. The Contractor is responsible for ensuring the confidentiality of the PIN during generation, issuance, storage, and verification. The Data Encryption Standard (DES) algorithm must be used to control all PINs so that the number never travels and is never stored in the clear. The Contractor must ensure that clear-text representation of the PIN is never displayed on PIN entry devices. The Contractor must provide for authentication of data encoded on the Card's magnetic stripe.
- Communications Access Controls. The Contractor must provide communications software that controls access to the System. Such communications software must strictly control access by all State, Federal and Contractor personnel in their attempts to input data or generate inquiries. Such software must also provide for at least the following capabilities:
  - User Identification and Authentication. Access for all personnel assigned to work within the System must be established. The system must require unique identification from each of these users in order to access the system. Access to files, databases, transactions, and programs must be restricted to those personnel who require access to such data to fulfill their assigned responsibilities. The system must protect authentication data so that it cannot be accessed by any unauthorized user. For purposes of audit and internal control, the system must also provide the capability of associating an individual's identity with all actions taken by that individual. The system must be able to maintain information for determining the authorizations of individual users. The system must support a lock-out threshold for excessive invalid access attempts. The passwords of users no longer authorized to access the system must be deleted immediately upon withdrawal of such authorization.



- Discretionary Access Controls: The System must use identification and authorization data to determine user access to information and the level or type of information accessed. Both the State EBT Contract Administrator and the State EBT Security Officer must be provided the capability to specify who (by individual user, users, or types of users) may have access to System data and further, what type or class of data those users must have access to. The system must ensure that users without such authorization are not allowed access to data inappropriate to their authorization.
- System Access Audit Controls: The System must be able to create an audit trail of access to the system and maintain and protect such records from modification, unauthorized access, or destruction. The system must define and control access between named users and named objects, including but not limited to files and programs. The system must be able to record the following types of events: log on, log off, change of password, creation, deletion, opening and closing of files, program initiation, and all actions performed by system operators, administrators, and security officers. For each recorded event, the audit record must identify the following: date and time of the event, user, type of event, and the success or failure of the event. For log on, log off, and password change events, the origin of the request, including but not limited to terminal ID, must be included in the audit record. For file- related events, the audit record must include the file's name. The System Administrator (or System Security Administrator) must be able to selectively audit the actions of one or more users based on individual identity.

### **3.15.3. EBT Transaction Controls**

The Contractor must provide controls to ensure that transaction communications are safeguarded and that transactions are processed only if properly executed from authorized terminals. Communications message validation must provide control edits for message completeness, file and field formats, and control and authentication measures. Respondents' Proposals must describe the controls they will utilize to secure communication lines and links. The Contractor must perform error checking of transmitted data to ensure the integrity of transmitted data, including range checks for acceptable data fields and message format checks. In addition, the Contractor must provide a configuration layout, showing complete end-to-end details of the telecommunications and automated information systems(s), as part of the Detailed Design Document (see Section 2.3.3.3.).



#### 3.15.4. System Data Security

- Data Security Controls: System data must be protected to ensure that system and confidential information are not disclosed for unauthorized purposes. Such data security controls must include at least the following:
  - Disclosure of Information and Data: Any private information regarding clients made available to the Contractor in any format must be used only for the purpose of carrying out the provisions of this RFP. Information contained in such material must not be divulged or made known in any manner to any person or entity unauthorized to view or process the data in the performance of this Contract. Furthermore, disclosure to anyone other than those individuals covered by the above passage or to authorized State personnel without prior written approval from the State will be prohibited. Private information must be accounted for upon receipt and properly stored before during, and after processing. In addition, all related output must be given the same level of protection as required for the source material.
- PIN Confidentiality and Security: Each PIN, after entry into a terminal, must be encrypted using the Data Encryption Standard (DES). Initial PIN encryption must be performed within either a “physically secure” or a “logically protected” Tamper Resistant Security Module (TRSM) and must utilize corresponding key management techniques, as specified in Section 4.1 of ANSI X9.24 - 1992.
  - The PIN must always remain encrypted until it reaches the System, and any translation of the PIN must be performed within a physically secure TRSM without the use of software. All keys by which PINs are encrypted must be generated in a secure manner, and management of encryption keys must meet the standards as set by ANSI X98.8 - 1982; X9.24 - 1992; and X3.92 - 1987. At a minimum, all encryption keys must be subject to dual control (i.e., no single person must have control over all parts of any encryption key).
  - If there is a known or suspected compromise of an encryption key, internal escalation procedures must be followed and the encryption key must be changed immediately. Furthermore, the Contractor must ensure that all TPPs and other acquirers of data comply with all encryption requirements.
- Object Re-use Specifications. Object re-use specifications prevent the inadvertent disclosure of residual information from data storage devices. When a storage object, including but not limited to core area and disk file, is initially assigned, allocated, or re-allocated to a system user, the system



must ensure that it has been cleared. The Contractor's security system must also provide for the proper destruction of magnetic media that are no longer required.

- **Data Security and Loss**

In the event of loss of State-supplied data due to Contractor system failure or negligence, the Contractor's liability for such loss will be limited to 1) the cost of replacement or regeneration of the lost data from the State's supporting material by the methods or means deemed most suitable by the Contractor and 2) any costs incurred by the State in supporting the Contractor's efforts to replace or regenerate such data.

- **Virus Protection**

The Contractor must warrant that all data transmitted to the State is free of computer viruses or any other system contamination.

- **Government-supplied POS Terminal ID**

The Contractor must warrant that all retailers are in compliance with ANSI X9.58 – 2002 which prescribes certain requirements for unique identification of POS terminals supplied by a governmental entity.

### **3.15.5. Administrative and Personnel Security**

Upon Contract implementation, the Contractor must ensure the integrity of System operations, including personnel involved in System Administration and Security Administration. The Contractor must further ensure that appropriate screening is conducted on all personnel who are assigned to work on the System and that such screening is in compliance with Title 12, U.S.C., Section 1829.

- **General Organizational Controls:** The Contractor must provide a functioning structure of organizational entities responsible for Security Administration. Security and control responsibilities for personnel involved in Security Administration must be clearly delineated in the position descriptions for such personnel. A System Security Administrator must be designated. This official must be responsible for working with the State EBT Security Officer to obtain the appropriate State and Federal approvals of security-specifications before Contract commencement and throughout the Contract period. This official must also be responsible for ensuring that security objectives identified during



System development and implementation are accomplished, that all operational security requirements are met, and that management officials are kept continually aware of the need to satisfy all System security design specifications, address any operational security breaches, and perform all follow-up corrective actions.

- Supervisory and Management Controls. The Contractor must adopt supervisory and management controls, as follows, to mitigate any risk to the integrity of the System and its operation.
- The Contractor must provide for the separation of duties, dual control, and/or other measures to guard against operational risks in any and all areas subject to security concerns.
- The Contractor must ensure that adequate safeguards are in place to mitigate the risk of internal theft and/or embezzlement. Such controls may include pre-employment inquiries and national Agency checks on new and temporary personnel.
- The Contractor must provide initial and ongoing security-awareness training, in accordance with Public Law 100-235, Computer Security Act of 1987, for all personnel involved in the management, operation, programming, maintenance, or use of the System. All employees must be aware of their security responsibilities, know how to fulfill them, and understand the penalties involved if they are not fulfilled or are deliberately breached. Such training should focus on the specific system and operational procedures unique to each staff member.
- The Contractor must certify annually in writing that all personnel have received the required security-awareness training. Refresher training must be performed at least annually. Additionally, each staff member must sign a document attesting to the fact that she or he has received this training. These documents must be maintained by the Contractor in each employee's personnel file.
- The Contractor's System security personnel must receive training in the operation of the System. This training must include a systemic overview, current and future security features, known vulnerabilities of and threats to the System, and security evaluation methodologies. This training must be delivered on an ongoing basis, as systems are modified or upgraded.



### **3.15.6. General Security Requirements**

The Contractor must ensure that the following security features are present and fully operative:

- **Separation of Duties:** The Contractor must provide for adequate internal controls that separate duties and functions of Card Issuance from PIN Assignment and that further separate System Administration from Security Administration. Additionally, the Contractor must separate Operations from Control functions such as reconciliation controls; Account set-up from Benefit Authorization; and Benefit Authorization from Settlement Authorization.
- **System and Procedural Documentation:** As an integral component of its internal control structure, the Contractor must provide for the maintenance of adequate documentation of system and software applications as well as operating procedures and requirements.
- **Security Features Users' Guide:** The Contractor must provide a single summary, chapter, or manual within its broader User Documentation that clearly describes the security features embedded in the system, how to use them, and how they interact with one another.
- **System Modification and Tampering Controls:** The Contractor must ensure that features which enforce access-controls within the System are continuously protected against tampering and/or unauthorized changes. The security-relevant software, or other control mechanisms, must maintain an execution program that protects its security mechanisms from external interference or tampering, including, but not limited to modification of its code or data structures.
- **State Reporting, Inspections, Audits, and Investigations:** The State must be notified of all security breaches that meet the threshold for internal reporting and monitoring within the Contractor's organization. The Contractor's System Security Administrator must transmit the reports to the State EBT Contract Administrator or designee simultaneously with the transmission of internally required reports to the Contractor's management tier. Further, the Contractor's System Security Administrator must keep the EBT Contract Administrator or designee informed of the status of all corrective actions following a reported breach as well as any problems encountered in implementing such corrective actions.

The State reserves the right to inspect, review, investigate, or audit all parts of the Contractor's and subcontractors' facilities engaged in performing EBT services at any



time. In this capacity, the State or its representatives must have access to facilities, records, reports, personnel and any other appropriate aspects of the System.



# SECTION 4

## PRICING

WISCONSIN DEPARTMENT OF HEALTH AND FAMILY SERVICES REQUEST  
FOR PROPOSAL FOR ELECTRONIC BENEFIT TRANSFER SERVICES



## **SECTION 4: PRICING**

This section describes the format and content requirements of the Pricing Responses. Price quotations must be submitted in the format specified. Responses that do not provide price proposals in the required format may be rejected at the option of the State. Unless identified otherwise, prices quoted must apply for the duration of the Contract executed as a result of this RFP.

### **4.0. Response Requirements**

Responses must include prices for all services in the following categories of EBT-related functions and activities, as specified in this RFP:

- Cost Per Case Month (CPCM) Pricing including:
  - Incremental cost increases/decreases for alternative service options
- Optional Services Pricing
- Fee for Service Pricing
- Professional Services Hourly Rate

Responses must include information that identifies the specific geographical location from which all technical and support services will be provided (i.e., CCSC, RCSC, and Card Issuance). Price quotations for the core EBT services must be expressed in terms of Cost Per Case Month (CPCM). CPCM represents the fixed cost to deliver mandatory services to a single case for one month. Price quotations provided on these services must include all costs associated with operating the EBT System for the provision of all core services. Pricing will be volume based (“tiered”), dependent upon the total actual number of active Wisconsin cases on the EBT System.

#### **4.0.1. Pricing Separate from Technical Response**

Respondents’ Pricing Proposals, as described in this section, must be submitted separately from the Technical Proposal. Responses to any requirements in Section 4 must not be incorporated into the Administrative and Technical Response sections of this RFP, which are comprised of Sections 1, 2, and 3. See Section 1.5 (Requirements for Responding to the RFP) for more detail on this directive. No pricing estimates of any kind must not appear in responses to any requirement in Sections 1, 2, or 3.



#### **4.0.2. Pricing Assumptions**

Respondents should use the following assumptions in developing their pricing tables:

- CPCM pricing (Schedules IV-1A and IV-1B) proposed by Respondents must be permanent for the life of the contract and may be changed only by an amendment to the Contract. Such an amendment must be signed by both parties.
- Respondents must use the tiers contained in Schedules IV-1A and IV-1B to cover fluctuations in case volume.
- The State will pay the lower of the FCC default rate or the actual cost for client calls to the CCSC from payphones billed by payphone service providers.

#### **4.0.3. Definition of Active Case**

Active Cases listed in Schedules IV-1A and IV-1B are those for which a Benefit Authorization has been posted and made available during the billing month. A “case” is defined as a single household unit receiving benefits through a single client EBT account. The State must not be charged for cases that have had no Benefit Authorization activity (credits) posted and made available during the billing month. Monthly benefits posted prior to the end of the month must not constitute a billable case until the benefit has been made available to the client (i.e., availability date of the benefit has been reached). A “holdover” occurs when a client accesses his/her benefits from a previous month and no new benefits have been authorized and made available for the current month. A holdover must not be defined as an Active Case.

#### **4.1. Start-up / Conversion Costs**

Start-up / Conversion Costs are not required to be specifically delineated. They are, however, defined as those costs incurred by the Contractor for System implementation and transition from the current Contract’s EBT System to the new Contract’s EBT System. The Contractor will be responsible for all costs incurred by the Contractor beginning on the date the contract is signed and ending on the date the Conversion is performed and the Operations Phase (Section 2.3.6.) begins.



#### 4.2. CPCM Pricing Schedule

Respondents must use the pricing tables contained in Schedule IV-1A and IV-1B to reflect Cost Per Case Month pricing for the Contract. Active case counts will be defined as the total unduplicated case count on the Contractor's System for the billing month. See Section 4.0.3. for a more complete definition of an Active Case. All ongoing costs not identified separately must be included in the CPCM.

If, during the life of the Contract, the total unduplicated case count falls outside of the range provided in the pricing table, CPCM pricing must be provided at the price contained in the last respective tier in the table (i.e., CPCM pricing for case counts below 120,000 cases must be provided at the "< 120,000" tier and CPCM pricing for case counts above 350,000 must be provided at the ">350,000" tier).

For each tier in Schedule IV-1A, Respondents must provide the following:

- The base CPCM (Column A)
- That portion of the CPCM that reflects the combined costs of providing both CCSC and RCSC functions (Sections 3.7.1. and 3.7.2. respectively). This cost must be listed in Column B. **This cost must be based on the assumption that each client is allowed an unlimited number of CCSC calls each month.**
- The total CPCM.

For each tier in Schedule IV-1B, Respondents must provide the following:

- The base CPCM (Column A)
- That portion of the CPCM that reflects the combined costs of providing both CCSC and RCSC functions (Sections 3.7.1. and 3.7.2. respectively). This cost must be listed in Column B. **This cost must be based on the assumption that each client will be limited to twenty (20) CCSC calls each month.**
- The total CPCM.

The Contractor may not invoice the State for CPCM charges until a date concurrent with the onset of the Operations Phase (See Section 2.3.6.), and may, under no circumstances, invoice the State earlier than September 1, 2007.



#### **4.3. Pricing of Optional Services**

Pricing Schedule IV-2 must contain only optional services, which, at the discretion of the State, may or may not be considered for inclusion in the Contract. Table IV-2 provides for the pricing of seven (7) Optional Services that the State has identified as potentially desirable, but Respondents may suggest other activities or initiatives beyond these at their discretion.

Respondents are encouraged to identify means to reduce the costs of EBT services to the State and/or to provide increased service to the State and its EBT clients. Increased service is defined as service that exceeds the minimum service requirements specified in Section 3, General Requirements, of this RFP. As part of the pricing schedules included in this section, Respondents have the opportunity to identify cost-reduction factors and optional service offerings that would produce cost savings and/or improve service. The optional services should be included in Schedule IV-2, Pricing Table for Wisconsin EBT Optional Services. All cost savings must be expressed in terms of a decrease to the CPCM price.

#### **4.4. Fee-for-Service Pricing**

Pricing Schedule IV-3 contains pricing for services for which the State will pay on a per-use basis (e.g., charges for client calls to the CCSC from payphones).

#### **4.5. Professional Services Pricing**

Pricing Schedule IV-4 calls for one entry only: a composite hourly rate that the Contractor would charge the State for professional services meeting the following requirements:

- Work performed outside the baseline provided for in this RFP, such as a System enhancement request to support new functionality
- Work for which a value has not already been factored into the CPCM
- Work performed beyond any tasks described specifically in this Section.

#### **4.6. Invoicing and Payment**

The State will initiate monthly payments to the Contractor for services rendered during the previous calendar month. The Contractor must prepare and forward to the State, as described in Section 3.12.7, an invoice for services rendered following the final business day of each calendar month to be billed. The invoice must be accompanied by supporting documentation that substantiates each individual line item on the bill. At a minimum, the monthly bill must contain the following:



- Report period (month / year)
- Previous amount due / payments received
- As applicable, billable Start-up Costs
- Number of active EBT accounts
- Applicable CPCM rate for active EBT accounts
- Total CPCM (total of active EBT accounts multiplied by the CPCM)
- Cost of securing Interpretation Services in the CCSC and/or RCSC
- Payphone surcharges
- A list of the fees for any additional services provided and their associated costs
- Total Amount Due

#### **4.7. Pricing for Options**

In the Contract ultimately signed, the State will determine which, if any, of the pricing options will be exercised. This determination will be made and finalized prior to the execution of the Contract.

#### **4.8. Scoring**

Schedule IV-1A and Schedule IV-1B should contain the Respondent's baseline CPCM price for the EBT services as defined in Sections 2 and 3 of this RFP. Scoring of the Pricing Proposal will be amalgamated into a composite score based on the pricing provided in Schedules IV-1A, IV-1B, IV-3, and IV-4 only. The State will weight sixty percent (60%) of the score to schedule IV-1A or IV-1B, depending on whether the State elects to limit calls to the CCSC.

While the State's scoring decisions will be based on the results of these tables and assumptions, the State reserves the right to explore other pricing models during final negotiation with the selected Contractor.



Schedule IV-1A: Pricing Table for Wisconsin EBT Program:

Cost Per Case Month (CPCM)

Presumes: Unlimited Calls to the CCSC

Active Cases for Billing Month	(A) Base CPCM	(B)* CCSC & RCSC Functions	Total CPCM (A+B)
< 120,000			
120,000-130,000			
130,001-140,000			
140,001-150,000			
150,001-160,000			
160,001-170,000			
170,001-180,000			
180,001-190,000			
190,001-200,000			
200,001-210,000			
210,001-220,000			
220,001-230,000			
230,001-240,000			
240,001-250,000			
250,001-260,000			
260,001-270,000			
270,001-280,000			
280,001-290,000			
290,001-300,000			
300,001-310,000			
310,001-320,000			
320,001-330,000			
330,001-340,000			
340,001-350,000			
>350,000			

**\*The pricing of CCSC functions must be based on the assumption that each client is allowed an unlimited number of calls to the CCSC each month.**

Respondent: \_\_\_\_\_ Date: \_\_\_\_\_



Schedule IV-1B: Pricing Table for Wisconsin EBT Program:

Cost Per Case Month (CPCM)

Presumes: Limited Calls to the CCSC

Active Cases for Billing Month	(A) Base CPCM	(B)* CCSC & RCSC Functions	Total CPCM (A+B)
< 120,000			
120,000-130,000			
130,001-140,000			
140,001-150,000			
150,001-160,000			
160,001-170,000			
170,001-180,000			
180,001-190,000			
190,001-200,000			
200,001-210,000			
210,001-220,000			
220,001-230,000			
230,001-240,000			
240,001-250,000			
250,001-260,000			
260,001-270,000			
270,001-280,000			
280,001-290,000			
290,001-300,000			
300,001-310,000			
310,001-320,000			
320,001-330,000			
330,001-340,000			
340,001-350,000			
>350,000			

**\*The pricing of CCSC functions must be based on the assumption that each client is limited to twenty (20) calls to the CCSC each month.**

Respondent: \_\_\_\_\_ Date: \_\_\_\_\_



Schedule IV-2: Pricing Table for Wisconsin EBT Program:  
Optional Services

Service Description	CPCM Increase (+) or Decrease (-)
Restricting client calls referred to a CSR to the hours of 8:00 AM through 6:00 PM Central Time each day, except for reporting lost or stolen Cards and compromised PINs. These calls will continue to be handled by a CSR on a 24/7 basis. See Section 3.7.1.3. for basic service requirements of the CCSC.	
Providing an on-line data warehouse accessible through the EBT Administrative Terminal or other electronic device. See Section 3.10.	
Designing, translating, printing, and mailing a Wallet Card to accompany the EBT Card. Pricing must be based on production runs of five hundred (500) copies each. Components must be priced separately. See Section 3.5.1.1.	Design _____ Translation _____ Printing _____ Mailing _____
Mailing Wallet Cards designed, translated, printed, and provided to the Contractor by the State. Respondent must provide pricing only to mail the Wallet Card with the EBT Card See Section 3.5.1.1.	Mailing _____
Incorporating a Wallet Card into the Design of the Card Mailer (e.g. as a tear-off section). The Card Mailer is discussed in Section 3.3.5.1.	
Developing training materials on electronic media in addition to providing the printed materials described above. See Section 3.5.1.2. for more complete descriptions.	
Maintaining on-line transaction historical data for use by the State on an ongoing period of one hundred eighty (180) days. See Section 3.10.1.6.	

Respondent: \_\_\_\_\_ Date: \_\_\_\_\_



Schedule IV-3: Pricing Table for Wisconsin EBT Program:

Fee-for-Service

Service Description	Unit of Measure	Unit Cost
Client calls to the CCSC from payphones. (The State will pay the lower of the FCC default rate or the actual cost billed by the payphone service provider).	Per call	
Cost of securing Interpretation Services when needed in the CCSC and the RCSC.	Per Minute	

Respondent: \_\_\_\_\_ Date: \_\_\_\_\_



Schedule IV-4: Pricing Table for Wisconsin EBT Program:

Professional Service Hourly Rate  
As described in Section 4.6

Professional Services Rate	Hourly Rate
Composite Rate for all Personnel	\$

Respondent: \_\_\_\_\_ Date: \_\_\_\_\_



## **Attachment A: Draft Contract Terms and Conditions**



**DIVISION OF HEALTH CARE FINANCING**

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P O BOX 309  
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Jim Doyle  
Governor

Helene Nelson  
Secretary

**State of Wisconsin**

**Department of Health and Family Services**

Note: This document outlines the basic requirements of a potential Contract between the State and the Contractor. The final Contract negotiated may vary from this document, but the Contractor must be willing and able to agree to the basic requirements set forth in this document. In addition to the basic requirements stated herein, the final Contract may include, as negotiated by the State and the selected Contractor, special conditions, Contractor-specific conditions, and/or any other conditions deemed necessary by the State. The addition of such conditions may effect notable revisions to the document presented below. Therefore, this document **should not** be regarded as a contract ready to be signed.

## **CONTRACT for SERVICES**

### **I. DEFINITIONS**

Unless otherwise defined herein, the definition of any term requiring such can be found in the RFP or in the applicable law(s).

**Contract:** the collected documents describing the agreement between the parties, including the body of this Contract, the attachments, the provisions of the RFP and its Questions and Answers document, the provisions of the Contractor's Response and any written clarifications thereof, and any other documents incorporated by reference into this Contract as if fully set forth herein.

**Days:** calendar days, unless otherwise noted.

**RFP:** the Request for Proposal and all Attachments thereto, as issued by the State under the title of RFP: 1553 DHCF-EG and clarified and amended throughout the procurement process.



## **II. FUNCTIONS AND DUTIES OF THE CONTRACTOR**

### **A. Software Ownership**

All right, title, and interest in all copyrightable materials that The Contractor may conceive or originate, either individually or jointly with others, and that are designed or developed with State or Federal funds in the course of performing this Contract will be the property of the State and are by this Contract assigned to the State along with ownership of any and all copyrights in the copyrightable material. The Contractor agrees to execute all papers and perform all other acts necessary to assist the State to obtain and register copyrights on such materials in any and all countries. Where applicable, works of authorship created by the Contractor, either individually or jointly with others, for the State in performance of this Contract will be considered “works made for hire” as defined in the U.S. Copyright Act.

Further, the United States Department of Agriculture (USDA) reserves a royalty-free, non-exclusive, and irrevocable license to reproduce, publish, or otherwise use, and to authorize others to use for Federal government purposes any software, documentation, and/or other materials in electronic or printed format and all other original works of authorship specifically developed under this Contract that are designed, developed, or installed with Federal funds.

### **B. Services**

The Contractor will provide services according to the conditions specified in the Contract. The Contractor is responsible for all contractual requirements whether services are provided directly by the Contractor or by the Contractor’s subcontractors.

### **C. Staffing**

The Contractor will abide by the standards and protocols regarding key personnel involved in work efforts and deliverables under this Contract, as prescribed in the RFP, and will subject itself to the remedies prescribed for non-compliance.

The State reserves the right to require replacement of any individual working under the Contract for reasonable cause, as determined by the State.



## **D. Compliance with Applicable Laws and Policies**

### **1. General.**

The Contractor and its subcontractors will comply with all applicable Federal and State laws and State policies and standards that are in effect during the term of this Contract and that in any manner affect the work performed.

### **2. Drug-Free Workplace**

The Contractor will provide a drug-free workplace, in accordance with the Drug-Free Workplace Act of 1988 and implemented in 45 CFR Part 76 Subpart F for grantees, as defined in 45 CFR Part 76, Section 76.606 and 76.610.

### **3. Affirmative Action/Civil Rights Compliance.**

Within fifteen (15) working days after the Contract is awarded, the Contractor will submit to the DHFS Affirmative Action/Civil Rights Compliance Office a copy of the Contractor's Civil Rights Compliance Plan. The DHFS standards for Affirmative Action / Civil Rights Compliance are located at

<http://www.dhfs.state.wi.us/civilrights/index.htm>

The Civil Rights Compliance Plan contains four components: Affirmative Action, Nondiscrimination, Civil Rights, and Language Access.

The Plan outlines its policies and procedures to meet the requirements under Title VI and VII of the Civil Rights Act of 1964, and as amended in 1991; Sections 503 and 504 of the Rehabilitation Act of 1973; Title VI XVI of the Public Service Health Act; the Age Discrimination Act in Employment of 1967 and Age Discrimination Act of 1975; the Omnibus Budget Reconciliation Act of 1981; the Americans with Disabilities Act of 1990; and the Wisconsin Fair Employment ss.11.31 to 111.395 Wis. Stats., and s.16.765 Wis. Stat., and ADM 50.

(i) No otherwise qualified person may be excluded from participation in, be denied the benefits of, or otherwise be subject to discrimination in any manner on the basis of race, color, national origin, religion, sex, disability or age. Providers who receive funding from USDA, whether directly from DHFS or through one of its contractors/grantees, will not discriminate against otherwise qualified persons based on their political affiliation. This policy covers eligibility for and access to service delivery and treatment in all programs and activities.



(ii) No otherwise qualified person may be excluded from employment, be denied the benefits of employment, or otherwise be subject to discrimination in employment in any manner or term of employment on the basis of race, creed, color, national origin, ancestry, age, gender, disability, arrest or conviction records, sexual orientation, marital status, and membership in the military reserve. The Wisconsin Fair Employment Act also prohibits discrimination based upon the following: the results of honesty or genetic tests that are not administered for job-related purposes, and the use of lawful or unlawful products outside work hours.

All employees are expected to support goals and programmatic activities relating to non-discrimination in employment.

(iii) The Contractor will post the Equal Opportunity Policy in conspicuous places available to applicants for and recipients of services, applicants for employment, and employees. The complaint process will be conducted according to Department Standards and will be made available in languages and formats understandable to applicants, clients, and employees. The language access requirements for persons with disabilities and persons who have limited English proficiency are found in greater detail on the website listed above.

(iv) The Contractor agrees that its service providers and their subcontractors will comply with the employment and service delivery guidelines in the Civil Rights Compliance Plan requirements issued by DHFS.

(v) Requirements stated herein apply to any and all subcontracts. The Contractor has primary responsibility to take constructive steps to ensure the compliance of its subcontractors.

#### **4. Contract Management**

##### **(i) Records**

Documentation and materials developed or acquired by the Contractor pertaining to work performed under this Contract will become the property of the State. All records, books and documents, including electronic storage media, relating to financial matters will be maintained in accordance with generally accepted accounting procedures and practices that sufficiently and properly reflect all revenues and expenditures of funds provided by the State under the Contract.

The Contractor will retain all client records, financial records, supporting documents, statistical records, and any other documents, including electronic storage media, pertinent to the Contract for a period of three (3)



years after termination of the Contract, or if an audit has been initiated and audit findings have not been resolved at the end of three (3) years, the records must be retained until resolution of the audit findings. Upon completion or termination of the Contract and at the request of the State, the Contractor will cooperate with the State to facilitate the transfer of any records or documents during the required retention period.

Records will be subject at all reasonable times to inspection, review, or audit by persons duly authorized by the State or Federal government as long as records are retained.

## **(ii) Monitoring**

The Contractor will provide reports, as specified in the RFP and this Contract, including status, progress, program, and financial reports, that will be used for monitoring progress or performance of the contractual services.

The Contractor will permit, upon reasonable prior notice, persons duly authorized by the State or Federal government to inspect any records, papers, documents, facilities, and services of the Contractor that are relevant to the Contract, and to interview any employees of the Contractor to be assured of satisfactory performance of the requirements of the Contract. Such inspection will not unduly interfere with the Contractor's performance under the Contract. Following any such inspections, the State will provide the Contractor with a list of its comments with regard to the manner in which said services are being performed. The Contractor will develop and implement a corrective action plan, as directed by the State.

## **5. Audits**

The Contractor will, as applicable, ensure that the funds received from the State under this Contract and all other funds, regardless of the source, used to finance the services to be performed under this Contract receive annual audits pursuant to Office of Management and Budget Circular A-133. This requirement applies to its subcontractors, as well. Said audits will be performed by an independent Certified Public Accountant (CPA) or accounting firm, as applicable, in accordance with the generally accepted government auditing standards covering financial and compliance audits. The audit will ensure that all related party transactions are disclosed.

The Contractor will assume full financial liability for any and all audit exceptions chargeable to the Contractor and its subcontractors under this Contract. The State



has the right under this Contract to withhold payment or reimbursement to the Contractor in order to satisfy any financial chargeback made by any of the personnel authorized hereunder to audit and examine the financial books, records, procedures and accounts of the Contractor and its subcontractors.

The Contractor will secure an annual SAS 70 examination on its EBT operations and provide the report of this examination to the State within 30 days of the completion of the audit.

## **6. Insurance**

The Contractor will provide liability insurance coverage on a comprehensive basis and hold such liability insurance at all times during the existence of the Contract. The Contractor accepts full responsibility for identifying and determining the type(s) and extent of liability insurance necessary to provide reasonable financial protection for the Contractor and the state to be served under the Contract. Upon the execution of the Contract, the Contractor will furnish the State written verification supporting both the determination and existence of such insurance coverage, including Certificates of Insurance for all types of insurance required under this paragraph. The State reserves the right to require additional insurance.

The Contractor will maintain all required insurance for its employees, including workers' compensation insurance.

## **7. Confidentiality**

The Contractor agrees that the use or disclosure of information concerning applicants for or recipients of services under this Contract, unless required in the course of and directly connected with the performance of services under this Contract, is prohibited to all parties and for any purpose, except as it may be authorized in writing by the State or with the written consent of the recipient or his or her authorized representative.

The Contractor agrees and understands that all discussions with the Contractor and all information gained by the Contractor as a result of the Contractor's performance under the Contract will be confidential and that no reports, documentation, or material prepared, as required by the Contract, will be released to the public without the prior written consent of the State.

All records and information that are regarded by the Contractor as confidential must be identified as such to the State in writing. Further, information identified by the Contractor as confidential must be released where required by Federal or State law or court order.



All Contractor and subcontractor employees will be instructed in writing of these requirements and will be required to sign a document affirming their understanding of the requirements upon employment and annually thereafter. Any information sharing that is not directly connected to the administration of the Contract, whether in summary, statistical, or other form, even if it does not identify specific individuals, will require the State's EBT Contract Administrator's consent in advance of the disclosure.

The Contractor will comply with the Computer Security Act of 1987, Public Law 100-235, and all applicable standards and regulations established thereunder.

## **8. Subcontractors**

The Contractor may not enter into a subcontract for work to be performed under the Contract if the subcontract value would exceed ten percent (10%) of the annualized value of the base Contract between the Contractor and the State without prior written approval of the State, which approval will not be unreasonably withheld. The State may rescind the approval during the term of the Contract for good cause. The Contractor will provide copies of all contracts with these subcontractors, excluding pricing or proprietary information, forty-five (45) business days prior to the effective date of such subcontracts. Upon receipt, the State will have twenty (20) business days to review such contracts and provide in writing to the Contractor any concerns regarding the level of service that is required of such subcontractors by the Contractor in meeting its contractual obligations to the State. A non-response from the State within the twenty (20) business day period will constitute passive approval of the Contractor's proposed subcontract. If, however, the State expresses concerns, the Contractor agrees to resolve any such concerns in these subcontracts. The Contractor will address each concern in writing to the State no later than twenty (20) business days from receipt of the State's concerns. Approval by the State of any subcontract will not be deemed in any event or in any manner as a provision for the incurring of any obligation by the State in excess of the total dollar amount in the Contract.

All subcontracts are subject to the same conditions of the Contract, as defined in Section I, between the State and the Contractor and to any conditions of approval the State may deem necessary.

The Contractor is solely responsible for Contract performance by all of its subcontractors, and subcontractors must adhere to the same standards required of the Contractor.



## **9. Travel**

Any travel costs incurred by the Contractor during the life of the Contract may not be billed to the State.

The State assumes no liability for any accident or injury that may occur to the Contractor's employees, agents, subcontractors or personal property while en-route to or from government facilities or during any travel associated with or mandated by the terms of the Contract.

## **III. FINANCIAL MATTERS**

### **A. Costs**

The State is not liable for the payment of any costs incurred by the Contractor or its subcontractors in connection with this Contract in excess of the amount specified in the Pricing Agreement.

### **B. Taxes**

The Contractor will be responsible for payment of taxes on the funds received under this Contract, which will be identified under the Contractor's actual tax identification number(s).

### **C. Support Services**

The Contractor will furnish its own support services, unless the Contractor justifies and the State agrees that the State will provide such services.

### **D. Overpayments**

The Contractor will return to the State any overpayments due to unearned funds or funds disallowed pursuant to the terms of the Contract that were disbursed to the Contractor by the State. The Contractor will return any overpayment to the State within forty (40) days after either discovery by the Contractor or its independent auditor or notification by the State of the overpayment. In the event the State first discovers an overpayment has been made, the State will notify the Contractor by letter of such a finding. At its discretion, the Department may recover the overpayments by deducting the overpayment amount from any money otherwise payable to the Contractor.



## **E. Withholding and Deduction**

### **1. Withholding**

The State has the right to withhold any and all payments due the Contractor if the Contractor fails to perform consistent with this Contract, fails to meet a provision of this Contract, or if the State reasonably determines such withholding to be necessary to protect the State against potential losses or liabilities, including potential Federal disallowance or sanctions. The payments to be withheld will be in an amount the State determines necessary to cause the Contractor to correct its failures or to protect the State against potential losses or liabilities and will be withheld until the failure to perform or meet the Contract provision is cured, or until the potential loss or liability ceases. The State will withhold funds pursuant to this section only after the State has given notice of intent to withhold funds and the reasons for withholding continue after fourteen (14) days of such notification.

### **2. Deduction**

The State makes payments only for services that are actually provided and that meet the terms and conditions of this Contract. Therefore, the State has the right to reduce its total financial obligations to the Contractor by the amount being withheld if, at the expiration or the termination of the Contract, the Contractor has not yet cured its failures or caused the potential losses or liabilities to cease. In addition, the State has the right to reduce its total financial obligations to the Contractor by an amount equal to the amount imposed against the State as a Federal disallowance or sanction that is attributable to the Contractor's performance or failure to perform.

The State has the right to deduct from funds otherwise payable to the Contractor any amounts due the State from the Contractor for any other reason specifically provided under this Contract.

## **IV. CONTRACTOR COMMITMENTS AND CERTIFICATIONS**

### **A. Debarment**

The Contractor certifies that neither the Contractor nor any of its owners, officers, principals, agents or employees, whether paid or voluntary, neither is or has been debarred or suspended or otherwise excluded from or ineligible for participation in Federal assistance programs nor has been proposed for debarment, suspension



or exclusion. The Contractor further certifies the same for its subcontractors or their owners, officers, principals, agents or employees.

The Contractor will immediately notify the State if during the term of the Contract it or its subcontractor or any of the persons listed in the paragraph above are proposed for debarment, suspension or exclusion from participation in a federal assistance program.

**B. Political Activity and Lobbying**

The Contractor will comply with all applicable provisions of the Federal “Hatch Act,” as amended.

The Contractor warrants and represents to the State that no Federal or State funds, including but not limited to the funds received from the State under this Contract, have been paid or will be paid, either directly or indirectly, for any partisan political activity or to further the election or defeat of any candidate for public office. The Contractor further agrees that if any other funds from any source are used for such purposes as are described hereinabove in this paragraph, the Contractor will immediately disclose same in writing to the State.

The Contractor warrants and represents to the State that no Federal or State funds, including but not limited to the funds received from the State under this Contract, have been paid or will be paid, either directly or indirectly, to lobby, influence or attempt to influence any federal or state agency or any member of Congress or any State’s legislature concerning any state or Federal statute, legislation, grant, loan, cooperative agreement or any other matter pending before the Congress or before any State legislature.

**C. Conflict of Interest**

The Contractor certifies that it does not presently have any interest, and will not acquire any interest, direct or indirect, that will conflict in any manner or degree with its performance under this Contract. The Contractor will not employ or contract with any entity or person that has such a known conflict.

**V. MODIFICATIONS**

**A. Amendments**

A contract amendment will be required whenever a change affects the payment provisions; the period of performance; or the delivery schedule; or whenever an amendment is otherwise determined by the State to be necessary. Any amendment of the



Contract is effective only after it has been approved by the U.S. Department of Agriculture, if required, and signed by authorized representatives of each party to the Contract.

## **B. Change Orders**

Enhancements and changes to the Contractor's EBT system, program baseline, or other operational functionality may only be implemented following the protocol mandated in the RFP. These changes and enhancements may not require the use of formal Contract amendments but may be negotiated by the parties, as noted in the RFP, and ultimately approved in writing by the State's EBT Contract Administrator. No change or enhancement may proceed until such written approval is obtained.

In the event that the State or the Contractor discovers any material omission in the provisions of this Contract that is believed to be essential to the successful performance of the Contract, notice will be sent to the other party. The State and the Contractor will then follow the protocol for change orders set forth in the RFP.

## **VI. DAMAGES AND INDEMNIFICATION**

### **A. Liability; Indemnification**

The Contractor agrees to be liable for all claims, suits, judgments, or damages, including court costs and attorney's fees, arising out of the acts or omissions of the Contractor and its agents, subcontractors, and employees in the course of the operation of the Contract.

Further, the Contractor agrees to indemnify and defend the State against all claims, suits, judgments, or damages, including court costs and attorney's fees, arising out of acts or omissions of the Contractor and its agents, subcontractors, and employees in the course of the operation of the Contract. In no event will the Contractor be liable for or have any obligation to defend the State against claims, suits, judgments, or damages, including costs and attorney's fees, arising out of the acts or omissions of the State.

Upon notice of any claim against the State for which the Contractor has agreed to defend the State, the State will provide prompt notice of said claim to the Contractor. The State will provide reasonable assistance in defense of claims. Any proposed settlement will be subject to review and approval by the State.



## **B. Damages**

### **1. Liquidated Damages**

The Contractor will at all times comply with all system and operational requirements in this Contract. Attachment D to the RFP sets out performance standards and other Contract requirements which, if unfulfilled, will interfere with the proper administration and delivery of EBT services resulting in loss and damage to the State that are not calculable with any degree of certainty. These losses and damages will thus be equal to the amount set forth in Attachment D to the RFP as liquidated damages. The Contractor specifically acknowledges its agreement that the Contractor may be required to pay such, not as a penalty, but as liquidated damages that are a reasonable measure of the impact to the State.

Amounts due the State as liquidated damages may be deducted by the State from any money payable to the Contractor under this Contract, or the State may bill the Contractor as a separate item and the Contractor will immediately make payments on such bills.

### **2. General**

The Contractor is and will remain liable to the State for all direct damages that may be incurred by the State as a result of the Contractor's acts or failure to perform in conformance with the Contract.

## **VII. STOP AND CORRECT**

### **A. Stop Services**

In addition to its other remedies, the State has the right at any time to order that the services of the Contractor or any of its subcontractors be fully or partially stopped, if, in the reasonable judgment of the State, the services fail to comply with the terms and conditions, including without limitation the performance requirements in Attachment D to the RFP. The Contractor will receive from the Department advance written notice of the reasons for the order and a description of the actions that must be taken in order to correct the noncompliance.

### **B. Correction**

If the State determines that a noncompliance by the Contractor with any term or provision of this Contract is occurring, it has the right to demand immediate



correction while permitting the Contractor to continue to provide services under this Contract. The Contractor will, without additional cost to the State, correct or revise all errors or deficiencies in any Contract work.

In addition, if the Contractor fails to commence such correction and diligently prosecute the same to completion, the State may directly or through another agent or the Contractor, correct any noncompliance without prejudice to any other remedy it may have. The Contractor will directly reimburse the Department for all reasonable and necessary costs incurred by the State, including procurement-related costs to correct such noncompliance, or the Department may deduct these costs from payment otherwise due the Contractor.

## **VIII. TERMINATION**

### **A. Mutual Agreement**

The Contract may be terminated by the mutual agreement of the parties.

### **B. Termination Other Than for Cause**

#### **1. Termination for Convenience**

The State may terminate performance of the services under the Contract in whole or in part, if the State determines that termination is in the best interest of the State. The State will send a Notice of Termination to the Contractor, which will specify the extent of termination and the effective date, which will not be less than one hundred eighty (180) calendar days from the date of the Notice. During this period after such notice has been given to the Contractor, the Contractor will continue providing the services under this Contract, unless otherwise directed by the State, without performing unnecessary activities. If this Contract is so terminated, the State will be liable for payment in accordance with the terms and conditions of this Contract only for those services rendered prior to the effective date of the termination.

#### **2. Non-Appropriation**

The State may terminate this Contract in whole or in part whenever funding from State or Federal sources is withdrawn, reduced, or limited. The State will not incur liability beyond the payment of those services agreed to and provided through the date of termination of the Contract for lack of appropriation of funds. The State is the final authority as to the



availability of funds and will provide as much notice of termination under this provision to the Contractor as is reasonably possible.

Notwithstanding the foregoing, the contract will continue in full force and effect during any period of sixty (60) days or less wherein funds are temporarily unavailable either from State or Federal funding sources.

## **C. Termination for Cause**

### **1. Contractor Insolvency or Malfeasance**

The State may terminate the Contract upon thirty (30) days notice, unless a shorter notice is necessary to protect the best interests of the State, if the Contractor becomes insolvent or is closed for business by a State or Federal regulatory authority or by corporate action, or if a receiver, conservator, liquidator, or any other such officer is appointed, or if the Contractor is convicted of criminal malfeasance.

### **2. Breach**

Either party may terminate the Contract if the other party breaches any material obligation under the Contract. "Material obligation" will include (i) breach of any obligation under the Contract if such breach materially endangers the performance under the Contract, and (ii) a failure to meet a performance requirement in the delivery of services, as specified in Attachment D to the RFP, for ten (10) consecutive business days.

### **3. Procedure**

Except for section C.,1. in this Article, either party may immediately terminate the Contract for breach, provided the party has given the breaching party notice of such breach and the breaching party has failed to cure such breach within thirty (30) days after receipt of such notice. The thirty (30) days available under this provision to cure the breach will be reduced for each day that the failure to deliver services in conformance with the requirements of Attachment D of the RFP continued beyond any prior alert given by the State to the Contractor that such failure was occurring.

In the event of termination for breach, the State may procure replacement services. The Contractor will be liable for any costs for such replacement services which exceed the base cost negotiated between the State and the Contractor in addition to any other damages allowed by law. In addition,



the Contractor is liable to the State for reasonable administrative costs incurred to procure such replacement services.

If the Contractor's breach or failures are not due in any reasonable way to the fault or negligence of the Contractor or subcontractor, the termination will be deemed to be a termination for convenience.

## **IX. CONTINUITY OF SERVICES**

The Contractor recognizes that the services provided under this Contract are vital to the State and must continue without interruption. Should the State find it necessary to effect a transition to a New Contractor at any time during this Contract or at the termination of this Contract, the Contractor will participate in conversion to the system under the New Contractor's control.

The Contractor will work in good faith with the State and the New Contractor to develop a plan providing an orderly transition. The plan will specify a training program and set a date for transferring responsibility for each division of work described in the plan. The plan will be subject to the prior written approval of the State. The Contractor will provide sufficient experienced personnel during the transition period to ensure that the services called for in the Contract are maintained at the required level of proficiency. At a minimum, three sets of test conversion files will be provided prior to conversion to a new Contract at the point defined within the transition plan. As part of the conversion process, three years of transition history will be provided by month in a flat file with a standard fixed format.

The State has the right to serve as Mediator between the current and New Contractors, any subcontractors, all retailers affiliated with the EBT Program, and third party processors. The Contractor will provide for the migration of customer service functions on the night of database conversion. This may require both parties to develop specific ARU scripts, which must be approved by the State for use specifically during database conversion. The Contractor will supply all backup arrangements necessary in the event of database conversion failure.

The Contractor will be compensated for all reasonable transition costs on an actual and reasonable basis. Additionally, the State, at its option, will be allowed to purchase all or some of the deployed Point-of-Sale (POS) devices at depreciated cost.



## **X. MISCELLANEOUS PROVISIONS**

### **A. Adverse Relationship**

During the period of this Contract, the Contractor will neither provide services nor enter into any agreement to provide such services to a person or organization that has interests that the Contractor knows are adverse to the State.

### **B. Anti-Trust Violations**

The Contractor and the State recognize that overcharges resulting from antitrust violations are, in actual economic practice, usually borne by the Department. Therefore, the Contractor hereby assigns to the State any and all claims for such overcharges as to goods and services purchased in connection with this Contract, except as to overcharges not passed on to the State.

### **C. Assignment and Acquisition**

The Contractor may not assign or transfer this Contract or any of its rights hereunder or delegate any of its duties and obligations hereunder without the prior written consent of the State, which will not be unreasonably denied or delayed, provided that any permitted assignment will neither operate to relieve the Contractor of any of its duties and obligations hereunder nor affect any remedies available to the State that may arise from any breach of the provisions of this Contract by the Contractor. Any attempted assignment, transfer or delegation in contravention of this section of the Contract will be null and void.

The Contractor will notify the Department of any merger or acquisition that the Contractor determines will affect its ability to provide any of its duties and obligations under this Contract.

### **D. Authority**

The Contractor has no authority to bind, obligate, or commit the State by any representation or promise without the prior written approval of the State. Likewise, the State has no authority to bind, obligate, or commit the Contractor by any representation or promise without the prior written approval of the Contractor.

### **E. Authorization**

Both the Contractor and the State have full power and authority to enter into and perform their respective duties and obligations under this Contract, and the person signing this Contract on behalf of each party has been properly authorized and



empowered to enter into this Contract and to bind each party to each and every one of the terms and conditions set forth herein as well as to ensure that each party has all required legal right and power to perform all acts called for by this Contract in Wisconsin and elsewhere.

**F. Binding Effect**

Each party agrees that this Contract binds it and each of its officers, employees, agents, independent contractors, and representatives.

**G. Conflicts Among Documents; Order of Precedence**

In the event that there is a conflict in the requirements laid out by the various documents that inform this Contract, the following order of precedence will apply:

Federal laws, regulations and policies, as amended;

State laws, regulations and policies, as amended;

The terms and conditions in the body of this Contract, including all attachments, as amended;

QUEST Operating Rules, as amended;

RFP Question and Answer documents;

The RFP and Attachments, as amended;

The Contractor's response to the RFP, including the Pricing Proposal, as accepted.

A higher-order document will supersede a lower-order document to the extent necessary to resolve any inconsistencies. An inconsistency does not exist solely because a higher-order document is silent on a matter that is addressed in a lower-order document.

**H. Cooperation of Parties and Dispute Resolution Process**

The parties agree to act in good faith to fully cooperate with each other in connection with the performance of their respective duties and obligations under this Contract.

When a material dispute involving neither the payment provisions of this Contract nor any matter that causes or creates significant potential financial losses or



liability for the other party arises, the sole and exclusive method available to the parties of resolving such dispute is for either party to request a review by the Administrator of the Department's Division of Health Care Financing . If this review does not result in the satisfactory resolution of the dispute, either party may request a review with the Department's Deputy Secretary.

The parties will also use the informal process described above for the resolution of any dispute regarding the payment provisions of this Contract or for any matter that causes or creates significant potential financial losses or liability for the other party. However, if the parties are unable to resolve such a dispute to their mutual satisfaction, both parties will have available to them all rights and remedies that exist under this Contract and applicable Federal and State laws and regulations, including without limitation the right to litigate the dispute in any court of competent jurisdiction.

The existence of a dispute notwithstanding, both parties agree to continue without delay to carry out all of the respective duties and obligations under this Contract that are not affected by the dispute. The Contractor further agrees to abide by the interpretation of the State's contract administrator regarding the matter in dispute, pending final determination.

#### **I. Entire Agreement and Acknowledgment of Understanding**

The State and the Contractor agree that this Contract and all attachments and documents incorporated by reference are the complete and exclusive statement of agreement between the parties relating to the subject matter of this Contract. The State and the Contractor further agree that this Contract and all associated documents supersede all proposals, letters of intent or prior agreements, oral or written, and all other communications and representations between the parties relating to the subject matter of this Contract.

#### **J. Force Majeure**

Neither the Contractor nor the State is liable or responsible for delays or failure in performance of its respective duties and obligations under this Contract resulting from events beyond the reasonable control of, and without the fault or negligence of, such respective party. Such events include, but are not limited to acts of God, strikes, lockouts, freight embargoes, riots, acts of war or insurrection, epidemics, explosions, acts of any foreign or domestic governmental body acting in either its sovereign or contractual capacity, terrorist acts (foreign or domestic), fires, power failures, nuclear accidents, earthquakes, floods, tornadoes, hurricanes, unusually severe weather, or other disasters, whether or not similar to the foregoing. Within seventy-two (72) hours of the occurrence of such an event that affects either party, the affected party will initiate disaster recovery and/or back-up procedures to



carry out its respective duties and obligations hereunder and will again be performing such duties and obligations under this Contract by the end of that seventy-two (72) hour period. Within that same seventy-two (72) hour period, the affected party's contract administrator will notify the other party as to the extent of the disaster and/or emergency, its efforts to remedy the situation, and the expected duration.

**K. Governing Law**

This Contract is governed in all respects by and construed in accordance with the laws of the State of Wisconsin, regardless of where any of the services are performed and without regard to its conflict of laws provisions, in the event a choice of law situation arises. The venue of any action hereunder will be in Dane County, Wisconsin.

**L. Headings**

The headings throughout this Contract are for reference purposes only, and the words contained therein will in no way be held to explain, modify, amplify or aid in the interpretation, construction, or meaning of the provisions of this Contract.

**M. Hiring of Employees**

The Contractor will not, for purposes of providing services under this Contract, knowingly engage (as a full-time, part-time or other member of the professional staff) any persons who are or have been at any time during the term of this Contract in the employ of the State without the prior written approval of the State, which will not be unreasonably denied or delayed. Likewise, the State will not, for purposes of providing services under this Contract, knowingly engage (as a full-time, part-time or other member of the professional staff) any persons who are or have been at any time during the term of this Contract in the employ of the Contractor without the prior written approval of the Contractor, which will not be unreasonably denied or delayed.

**N. Independent Contractor Relationship**

The Contractor agrees that its officers, employees, agents, subcontractors, or any other agents of the Contractor in performance of its duties and obligations under this Contract will act in their individual capacities, not as representatives or agents of the State of Wisconsin and/or the Department of Health and Family Services, and will not be deemed or construed for any purpose to be officers, employees or agents of the State. The State agrees that its officers, employees, agents, subcontractors, or any other agents of the State in performance of its duties and obligations under this Contract will act in their individual capacities, not as



representatives or agents of the Contractor, and will not be deemed or construed for any purpose to be officers, employees or agents of the Contractor. In no event will this Contract be construed to create an employer-employee relationship, a joint venture, or an agency relationship between the Contractor and the State. The Contractor is therefore responsible for compliance with all laws, rules and regulations involving its employees, including those regarding employment, tax withholding, and liability protections.

**O. Non-waiver**

Any failure or delay by either party to exercise or partially exercise any right, power, or privilege under this Contract will not be deemed a waiver of any such right, power, or privilege under this Contract. Any waivers granted by either party for current breaches will not indicate a course of dealing with or excusing other or subsequent breaches.

**P. Notice of Delay or Noncompliance**

When either party has knowledge that any actual or potential situation delays or threatens to delay the timely performance of that party's duties and obligations under this Contract, that party will, within five (5) days, give written notice of such delay to the other party. In addition, the Contractor will promptly notify the State of any instance of noncompliance by itself or its subcontractors with any term or provision of this Contract and will include the reasons for and effects of the noncompliance and the plan to correct the noncompliance if it continues.

**Q. Notices**

Notice will be deemed given by the parties under this Contract if in writing and delivered personally, by facsimile, or mailed by first-class, registered, or certified mail, postage prepaid, to the parties at the addresses shown below.

Any notice required or permitted to be given to a party will be in writing and addressed as follows:

In case of notice to the State:

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In case of notice to the Contractor:

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**R. Remedies**

Except as otherwise provided, no remedy conferred by any of the specific provisions of this Contract is intended to be exclusive of any other remedy, and each and every remedy will be cumulative and will be in addition to every other remedy given hereunder, now or hereafter existing at law or in equity or by statute or otherwise. The election of any one or more remedies by either party will not constitute a waiver of the right to pursue other available remedies.

**S. Severability**

If any term or condition of this Contract is or will be held invalid or unenforceable to any extent by a court of competent jurisdiction, the remainder of this Contract's terms and conditions will not be affected thereby, and each term and condition will be valid and enforceable to the fullest extent permitted by law.

**T. Survival**

The terms and conditions contained in this Contract that, by their sense and context are intended to survive the performance by the parties of their respective duties and obligations, will so survive the completion of the performance, expiration or termination of this Contract. This specifically applies, without limitation, to the provisions regarding indemnification and confidential information.



## **ATTACHMENT B**

### **GLOSSARY OF TERMS & ACRONYMS**



## GLOSSARY OF TERMS

TERM	DEFINITION	ACRONYM
ACCESS System	A system implemented by the State to allow interested consumers to learn more about the State's various benefit programs and determine their potential eligibility on-line. Additionally, clients already enrolled in one of the State's benefit programs will be able to view and manage their benefit profiles on-line. The system is not yet fully functional; it will be introduced in increments over the next several years. Web address: <a href="http://www.access.wisconsin.gov">www.access.wisconsin.gov</a>	ACCESS
Account	The record kept and maintained by the EBT Contractor for each Client who receives FoodShare benefits.	
Account Management Agent	An automated application that supports the activities of the Federal Reserve Bank of Richmond's operations in providing Automated Standard Application for Payments (ASAP) account management activities to the Food and Nutrition Service (FNS) for the Federal EBT Food Stamp Program.	AMA
Acquirer	The financial institution that establishes an account with a merchant and processes payment card authorizations and payments. In the context of this RFP, it also refers to the Third Party Processor (TPP) that accepts transactions from the retailer and routes them to the EBT host processor.	




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Acquirer Agreement	A written agreement between an Acquirer and an Issuer or its Designated Agent, pursuant to which the Acquirer confirms its agreement to be bound by and comply with the current Quest Operating Rules and any amendments that may be made to those rules from time to time throughout the life of the Agreement.	
Acquirer System	The telecommunications and processing system (including hardware and software) operated by or on behalf of an Acquirer and through which transactions originating at POS terminals of that Acquirer are processed and routed to the Issuer.	
Active Case	Those cases for which one ore more benefit authorizations have been posted during the billing month.	
Adjustment	A debit or credit transaction initiated by an Acquirer, terminal operator (on behalf of an Acquirer), or the State and/or its Contractor to correct a System error and/or an out-of-balance condition identified in the reconciliation / settlement process.	
Alternate Payee	A person authorized to access FoodShare benefits instead of the Primary Person.	AP
American National Standards Institute	The U.S. standards group responsible for issuing U.S. standards and maintaining consistency with similar international standards.	ANSI
Applicable Law	Any Federal, State, or local law, regulation, rule, or ordinance in effect and applicable to the subject matter referenced. Includes any changes made to such Federal, State, or local	




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	law, regulation, rule or ordinance with an effective date that falls during the term of the Contract.	
Authorization	<p>Transaction Authorization: The approval of a request for a transaction by a Card Authorization System (CAS) or by a third party providing stand-in processing for the CAS. A transaction that is approved in accordance with the Quest Operating Rules is “Authorized”.</p> <p>Benefit Authorization: The transmittal of authorized program benefits from the State to the Contractor.</p>	
Authorized Buyer	A person authorized to access FoodShare benefits on behalf of the food stamp household. This person receives a Card in addition to the Primary Person or Alternate Payee.	AB
Authorized Retailer	Any merchant who has been approved by FNS to accept FoodShare benefits as payment for eligible food items and who has also completed and signed a retailer agreement. Authorized retailers include, but are not limited to retail grocery stores, food chains, farmers’ markets, roadside vendors, delivery services, and cooperatives.	
Automated Standard Application for Payments System	A standard, all-electronic payment and information system developed jointly by the Treasury Department’s Financial Management Service (FMS) and the Federal Reserve Bank of Richmond. The latter, in its capacity as the Treasury’s fiscal agent, operates the system. ASAP is a system through which organizations receiving federal funds can draw from accounts preauthorized by federal agencies.	ASAP



Automated Clearing House	A funds-transfer system governed by the rules of the National Automated Clearing House Association (NACHA), which provides for the interbank clearing of electronic entries for participating Depository Institutions.	ACH
Automated Response Unit	An interactive voice response unit accessed via a digital telephone and utilized by clients and merchants for various functions.	ARU
Business Day	For purposes of financial institutions, all weekdays, excluding those days on which the Federal Reserve Bank is closed. For purposes of State offices, all weekdays, excluding those days on which the State offices are closed due to State and Federal holidays, Decrees, orders or other such days as announced and approved by the Governor's Office. For purposes of retailers and similar benefit providers, the business day is defined in the Retailer Agreement.	
Cancelled Transaction	The termination of a transaction by the terminal operator or retailer prior to receiving a response for the transaction request from the Cardholder Authorization System.	
Client Assistance for Reemployment and Economic Support System	The automated system used to determine eligibility for participation in Food Share and other Wisconsin benefits programs.	CARES
Client Customer Service Center	A range of services the Contractor makes available to serve FoodShare clients who need assistance with their EBT accounts. These services include automated and live interface with clients.	CCSC



Contractor	The firm selected and awarded a contract to provide the services required in this RFP and as contracted.	
Customer Service Representative	The provision of live CCSC or RCSC telephone support to EBT clients or retailers. Examples of assistance include access to account information, action on reports of lost or stolen cards, PIN selection, and voice authorization of manual vouchers.	CSR
EBT-only Acquirer	The entity (vendor or subcontractor) that acquires, routes, and settles transactions for EBT-only retailers under the Contract	
Electronic Benefits Transfer	An electronic payments system that uses electronic funds transfer and point-of-sale (POS) technology for the delivery and control of FoodShare benefits.	EBT
Expungement	The deletion or removal of benefits from clients' accounts after 365 days of inactivity	
Federal Financial Participation	Federal Funds made available for a variety of programs, including FoodShare. Some carry a matching requirement by the States, others are match-free.	FFP
Federal Food Stamp Program	An assistance program that issues food stamp benefits to eligible households. Benefits must be used solely for eligible food items. Eligibility is determined and benefits are issued by the State.	FSP
Federal Reserve Bank	The central bank of the United States, created by Congress and composed of a seven-(7) member Board of Governors in Washington, D.C., twelve (12) regional Federal Reserve	FRB




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	<p>Banks, and their twenty-five (25) branches. The Richmond, VA branch of the FRB has been delegated by FNS to act as an Account Management Agent (AMA) for the Federal Food Stamp Program (FSP) funding accounts.</p>	
FNS Regulations	<p>The final rules and regulations as published by FNS. These rules and regulations serve as the set of standards for operation of Food Stamp EBT systems.</p>	
FNS Retailer Number	<p>A number assigned by FNS, which identifies a retailer as having been authorized to participate in the Food Stamp Program.</p>	
Food and Nutrition Service	<p>The division of the U.S. Department of Agriculture responsible for administering the Food Stamp Program. FNS directly and solely authorizes retailers to participate in the Food Stamp Program.</p>	FNS
FoodShare	<p>The federal Food Stamp Program as administered in the State of Wisconsin. This is an assistance program that issues food stamp benefits to eligible households for the purchase of eligible food items. Eligibility is determined by the State (see CARES), and benefits are issued accordingly.</p>	FS
Food Stamp Purchase	<p>A payment in the amount of a customer's bill for eligible food items purchased at an FNS- authorized retailer.</p>	
Food Stamp Return	<p>A refund of the value of merchandise originally purchased with food stamp benefits and returned by a client or authorized representative for credit from the seller.</p>	




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Hold	A temporary restriction placed on all or part of the funds in a client's benefit account as a result of a manual voucher authorization or adjustment. The amount of funds on hold becomes unavailable to the client.	
Host Processor	The entity (contractor or subcontractor) that operates the EBT host system (see System).	
Manual Authorization	See Voice Authorization	
Manual Transaction	An off-line FoodShare purchase or merchandise return completed by use of a paper manual voucher.	
Manual Voucher	A paper document used to execute an off-line EBT transaction. The document contains client and retailer information and the client's signature.	
Manual Voucher Clear	The submission of a manual voucher, either electronically or by mail, to confirm the authenticity of the manual transaction and to effect settlement. In order to place a hold on funds in the client's account, voice authorization must be obtained for each manual voucher before it clears. Once the voucher is cleared, the funds are debited permanently from the client's account and credited to the retailer. If the voucher transaction is not cleared within thirty (30) calendar days, the hold is released and the funds again become available to the client.	
Non-Sufficient Funds	A condition that indicates insufficient funds in the client's account for the System to approve a transaction. This results in a denial of the	NSF




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	transaction.	
Non-Traditional Retailers	A person, company, or organization authorized by FNS to accept FoodShare benefits in exchange for eligible food items but that does not operate like a normal retail enterprise. Usually this means that the retailer does not have access to a phone line or electricity at the point of sale and therefore is unable to use a standard POS device to authorize the transaction (e.g. farmers' markets and route vendors). Others, such as group homes, treatment centers, food cooperatives, and communal dining facilities, have special circumstances that require a variety of unique accommodations in order to continue participating in the EBT environment.	
Personal Identification Number	This number is a confidential number that is used in combination with the PAN to initiate electronic transactions in order to access benefits or secure a balance inquiry through a POS device.	PIN
Point of Sale Device / Terminal	A range of devices, deployed at authorized retailers, used to initiate the electronic debit of a client account and credit to a retailer account as a purchase is being made, or a credit to the client account and a debit to the retailer account for a food stamp merchandise return	POS
Primary Account Number	This number, which serves as the primary identification number of a client, is the sixteen (16) digit number embossed on the EBT Card. The number must comply with the International Standards Organization (ISO) standards.	PAN



Primary Person	The designated Head of the FoodShare Household.	PP
Proposal	Any and all documents submitted by Respondents in response to this RFP.	
Quest Operating Rules	Quest Operating Rules, Version 1.5, dated July, 2005. These can be found at: <b><a href="http://ebt.nacha.org/quest/quest.htm">http://ebt.nacha.org/quest/quest.htm</a></b>	
Regulation E Data for Retailer Information	Regulation E of Title 12, Banking Regulations, Electronic File Transfer	Reg E
Resource Access Control Facility	The system access governor controlling access to CARES	RACF
Re-presentment	Transmission at a later date (e.g., the following month) to the authorizing host of a transaction that was previously denied as NSF, in hopes that sufficient funds would then be available to recover the lost funds.	
Request for Proposal	This solicitation document in its entirety.	RFP
Respondent	Any entity submitting a Proposal in response to this RFP.	
Retailer	See Authorized Retailer.	
Retailer Customer Service Center	A range of services the Contractor makes available to serve FoodShare Retailers who need assistance. These services include automated and live interface with retailers and other merchants participating in the program.	RCSC



Settlement	The exchange of information that results in the transfer of funds from one entity to another in order to complete a financial transaction. In the EBT environment, these include the flow of funds via ACH between the Contractor's bank account and bank accounts belonging to the EBT-only acquirer, TPPs, networks, and direct connect retail chains, as well as between the EBT-only acquirer's account and authorized retailers' accounts.	
Stand-In Processing	A back-up process that must be activated if the Contractor's System is unavailable for reasons outlined in FNS regulations, wherein the Contractor will guarantee payment of up to \$40 for FoodShare purchases that cannot be preauthorized because the authorizing engine is down or inaccessible. The Contractor must be liable for all insufficient funds arising from such stand-in processing.	
State Fiscal Year	The twelve-month period that runs from July 1 of one year through June 30 of the following year (i.e., July 1, 2006 through June 30, 2007).	SFY
Subcontractor	Any person who is not in the employ of the Contractor or any organization owned by the Contractor who performs work that is the responsibility of the Contractor under the Contract resulting from this RFP.	
System	The central EBT processing system (hardware, software, and data) that processes transactions and maintains client and retailer accounts.	
Third Party Processor	Any entity processing transactions on behalf of an Issuer, acquirer, or retailer, including any terminal operator that is not also an acquirer or a network.	TPP



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United States Department of Agriculture	The Federal department that oversees the Food and Nutrition Service and its programs.	USDA
Voice Authorization	An affirmative response to a retailer request for approval of a manual voucher transaction. This request is made via the ARU or by a CSR through a phone call to the RCSC.	



## LISTING OF REGULATIONS, WEBSITES, AND OTHER RESOURCES

WEBSITES /ADMINISTRATIVE RULES/ CODE OF FEDERAL REGULATIONS (CFR)	RFP SEC NBR
Wisconsin Administrative Code, Chapter Adm 10.08(1)(f)	1.4.1.
7 CFR§274.12(g)(04)(ii)(B)	1.14.5.6
7 CFR§274.12(i)(03)(ii)c	1.14.5.6
7 CFR§274.12(i)(3)(ii)c	1.14.5.6
7 CFR§274.12(h)(04)	1.14.5.6
7 CFR Part 3017.300	1.15.2
7 CFR Part 3021.200 through 3021.230	1.15.3
Clean Air Act, Section 306	1.15.5.
Clean Water Act, Section 508	1.15.5.
Executive Order 11738	1.15.5.
Environmental Protection Agency (EPA) Regulations	1.15.5.
Energy Policy and Conservation Act (PL 94-165)	1.15.6.
Wisconsin §15.107(2)	1.15.7.
Wisconsin §16.74(4)	1.15.7.
Wisconsin §16.755	1.15.7.
Wisconsin §560.036(2)	1.15.7.
<a href="http://www.doa.state.wi.us/section_detail.asp?linkcatid=46">http://www.doa.state.wi.us/section_detail.asp?linkcatid=46</a>	1.15.7
<a href="http://dhfs.state.wi.us/foodshare/ebt/default.htm">http://dhfs.state.wi.us/foodshare/ebt/default.htm</a>	2.3.4.1. 6.
<a href="http://dhfs.state.wi.us/foodshare/ebt/default.htm">http://dhfs.state.wi.us/foodshare/ebt/default.htm</a>	2.3.4.6.
7 CFR§274.12(k)	2.3.4.6.
<a href="http://ebt.nacha.org/Quest/Quest_Operating_Rules/quest_operating_rules.htm">http://ebt.nacha.org/Quest/Quest_Operating_Rules/quest_operating_rules.htm</a> .	2.4.1.
<a href="http://ecfr.gpoaccess.gov/cgi/t/text/text-idx?type=simple;c=ecfr;cc=ecfr;sid=c5778aa81303fbd390e16a1c181a9bef;idno=7;region=DIV1;q1=274.12;rgn=div8;view=text;node=7%3A4.1.1.3.21.0.1.12">http://ecfr.gpoaccess.gov/cgi/t/text/text-idx?type=simple;c=ecfr;cc=ecfr;sid=c5778aa81303fbd390e16a1c181a9bef;idno=7;region=DIV1;q1=274.12;rgn=div8;view=text;node=7%3A4.1.1.3.21.0.1.12</a>	2.4.2.
<a href="http://a257.g.akamaitech.net/7/257/2422/01jan20051800/edocket.access.gpo.gov/2005/pdf/05-7252.pdf">http://a257.g.akamaitech.net/7/257/2422/01jan20051800/edocket.access.gpo.gov/2005/pdf/05-7252.pdf</a>	2.4.2.
<a href="http://a257.g.akamaitech.net/7/257/2422/01jan20051800/edocket.access.gpo.gov/2005/pdf/05-23619.pdf">http://a257.g.akamaitech.net/7/257/2422/01jan20051800/edocket.access.gpo.gov/2005/pdf/05-23619.pdf</a>	2.4.2



WEBSITES /ADMINISTRATIVE RULES/ CODE OF FEDERAL REGULATIONS (CFR)	RFP SEC NBR
<a href="http://www.legis.state.wi.us">http://www.legis.state.wi.us</a>	2.4.3.
45 CFR§200	2.5.
45 CFR§74	2.5.
7 CFR§276	2.5.
7 CFR§274.12(k)(5)(i)	2.5.1.4.
7 CFR§274(k)	3.6.1.1
7 CFR§277.18(l)	3.8.1.
7 CFR§274.12	3.8.1.
<a href="http://dhfs.state.wi.us/foodshare/ebt/default.htm">http://dhfs.state.wi.us/foodshare/ebt/default.htm</a>	3.13.
7 CFR§274.12(h)(3) and 7 CFR§277.18(p)	3.15.



	Category	Performance Standard or Requirement	RFP Reference Number	Deficiency and Measurement	Liquidated Damages and/or Remedies
1.	Deliverables	Preliminary Project Work Plan (PWP) must be submitted within three (3) weeks of signing the contract; Final PWP must be submitted within ten (10) business days following receipt of the state's comments on the draft.	2.3.2	Preliminary and/or final Project Work Plan not submitted within the timeframes specified.	\$2,000 per day the preliminary or final PWP is not submitted within the timeframe specified. This will be applied beginning the day following the due date and including the day the PWP is submitted to the state.
2.	Deliverables	All draft and final key deliverables identified within the PWP must meet the identified timeline as approved by the State.	2.3.1.1	Draft and final key deliverables submitted to the state after the due date identified in the PWP.	\$200 per day for late draft and final key deliverables, beginning the day following the due date for draft and final key deliverables and including the day the deliverable is submitted to the state.
3.	Deliverables	All draft and final key deliverables must at a minimum meet the intent of the document as defined within the RFP and the contractor's proposal, and the final deliverable must adequately address all comments made by the state on the draft deliverable.	2.3.1.1	Unacceptable draft and final key deliverables, as determined by the state.	State notifies the contractor that deliverable is unacceptable. Contractor has 10 business days to revise/remedy. If still unacceptable, liquidated damages may be assessed in the amount of \$1,000 per day for unacceptable draft and final deliverables.
4.	Deliverable	The Operations Phase must begin no later than October 31, 2007.	2.3.6	Operations Phase begins after October 31, 2007.	\$5,000 per day the Operations Phase is delayed, beginning November 1, 2007 and including the day the Operations Phase begins.



	Category	Performance Standard or Requirement	RFP Reference Number	Deficiency and Measurement	Liquidated Damages and/or Remedies
5.	Systems	The total System, including its central computer and any network or intermediate processing facilities under the control of the Contractor, service provider, or subcontractor shall be available 98% of the scheduled uptime on a 24/7 basis.	3.8.1 3.12.5.2	The System is available less than 98% of the scheduled uptime. The average for the month will be calculated to determine if the 98% was met.	Number of minutes less than 98% of the scheduled uptime that the system is unavailable as measured on a monthly basis and damages:  1-60 minutes ---- \$100 per minute 61-120 minutes ---- \$500 per minute 121-259 minutes --- \$1,000 per minute  Maximum damages assessed per month not to exceed 10% of the total monthly contract amount.
6.	Systems	The EBT Central Computer shall respond to all online transaction requests within two (2) seconds.	3.8.1 3.10	The EBT Central Computer System does not respond to 100% of all online transaction requests within two (2) seconds.	For the first instance, instead of assessing liquidated damages the state may, at its sole discretion, require a Corrective Action Plan, as described in Section 2.6.1.2 of the RFP. For the second and any subsequent failure after the expected implementation of the Corrective Action Plan, \$100 for each failure.
7.	Systems	The Contractor's System must meet performance and technical standards and regulations.	3.8.1	Error or malfunction of the Contractor's System resulting in loss of benefits to a household's account.	The Contractor shall be liable for replacing benefits and any related costs to the state that are incurred as a result of the System errors or malfunctions.



	Category	Performance Standard or Requirement	RFP Reference Number	Deficiency and Measurement	Liquidated Damages and/or Remedies
8.	Systems	The Contractor must establish and maintain an appropriate level of security related to services pursuant to this RFP.	3.15.2	Unauthorized access obtained to the Contractor's system from any point under the control of the Contractor (or its subcontractors).	The Contractor shall be liable for replacing benefits and any related costs that are incurred by the State.
9.	Card Issuance	Card issuance requests in the Case/Client maintenance file received by the Contractor before 12:00 (Noon) Central Time shall result in the Card being placed in the mail the same day. Such issuance requests received after 12:00 PM (Noon) Central Time but before 11:00 PM Central Time shall result in the Card being placed in the mail no later than the next calendar day.	3.3.5.3.	Failure to issue cards in the required timeframes for 98% of the card issuance requests. The average for the month will be calculated to determine if the 98% was met.	\$500 for each card that is issued later than the required timeframes, but within one day of the required timeframe, and \$500 for each day thereafter until the card is mailed.
10.	Card Issuance	No more than one in 500 cards produced shall be defective, including vault cards	3.3.5	More than one in 500 cards is defective.	<p>\$100 for each card greater than one in 500 that is defective.</p> <p><u>Example:</u> If 1,000 cards are produced in a batch and all cards are defective, the state would calculate damages as follows:</p> <ul style="list-style-type: none"> <li>✓ 2 cards shall be allowed defective (one for every 500).</li> <li>✓ <math>1,000 - 2 = 998</math> cards</li> <li>✓ <math>998 \text{ cards} \times \\$100 = \\$99,800</math>.</li> </ul>



	Category	Performance Standard or Requirement	RFP Reference Number	Deficiency and Measurement	Liquidated Damages and/or Remedies
11.	Benefit Authorization	Benefit Authorization records transmitted by the state shall be processed within thirty (30) minutes of receipt, on a 24/7 schedule.	3.2	Failure to process 98% of benefit authorization records within 30 minutes. The average for the month will be calculated to determine if the 98% was met.	\$100 for each record that is not processed within 30 minutes. The maximum damages the State may assess in a month will be limited to \$10,000.
12.	Benefit Authorization	Daily and monthly ongoing benefits shall be available and accessible to the client no later than 12:01 AM Central Time on the availability date provided by the state.	3.2.3 3.12.5.2	Failure to make benefits available and accessible to each client no later than 12:01 AM Central Time on the availability date provided by the state. The average for the month will be calculated to determine ongoing benefits availability.	\$2,500 for each failure. The maximum damages the State may assess per month will be limited to 10% of total monthly contract amount.
13.	Benefit Authorization	Daily emergency benefits shall be posted to the Client's Account within 30 minutes of receipt.	3.2.3	Failure to post emergency benefits to each client's account within 30 minutes of receipt.	\$5,000 for each failure.
14.	Benefit Authorization	Benefit authorizations to EBT accounts shall occur accurately.	3.12.5.2	Inaccurate posting to the recipient's account of benefit information received by the state.	The Contractor shall be liable for replacing benefits to a household's account and any related costs that are incurred by the state.  In addition, for each inaccurate posting to a client's account, the Contractor may be assessed liquidated damages of \$1000.



	Category	Performance Standard or Requirement	RFP Reference Number	Deficiency and Measurement	Liquidated Damages and/or Remedies
15.	Transactions	The host computer shall process and respond to all on-line transactions within two (2) seconds.	3.8.1 3.12.5.2	Failure of the host computer to process and respond to all on-line transactions within two (2) seconds.	For the first instance, instead of assessing liquidated damages the state may, at its sole discretion, require a Corrective Action Plan, as described in Section 2.6.1.2 of the RFP. For the second and any subsequent failure after the expected implementation of the Corrective Action Plan, \$ 100 for each failure.
16.	Transactions	For leased line communications, 98% of transactions shall be processed within ten (10) seconds and 100% of transactions shall be processed within fifteen (15) seconds.	3.9.2	Failure to meet the standard as measured on a monthly basis.	For the first instance, instead of assessing liquidated damages the state may, at its sole discretion, require a Corrective Action Plan, as described in Section 2.6.1.2 of the RFP. For the second and any subsequent failure after the expected implementation of the Corrective Action Plan, \$ 100 for each failure.
17.	Transactions	For dial-up systems, 95% of transactions shall be processed within fifteen (15) seconds and 100% of transactions shall be processed within twenty (20) seconds.	3.9.2	Failure to meet the standard as measured on a monthly basis.	For the first instance, instead of assessing liquidated damages the state may, at its sole discretion, require a Corrective Action Plan, as described in Section 2.6.1.2 of the RFP. For the second and any subsequent failure after the expected implementation of the Corrective Action Plan, \$ 100 for each failure.



	Category	Performance Standard or Requirement	RFP Reference Number	Deficiency and Measurement	Liquidated Damages and/or Remedies
18.	Transactions	No more than 2 inaccurate EBT transactions for every 10,000 EBT transactions processed.	3.8.1. 3.12.5.2	More than 2 inaccurate EBT transactions for every 10,000 transactions processed. The State may at any time randomly select any 10,000 transactions for review of this standard.	<p>\$100 for each inaccurate transaction above the standard.</p> <p>In addition, for <u>any</u> inaccurate transaction that results in an over-issuance of benefits, the Contractor shall be liable for incurring all costs resulting from the over-issuance and may not seek to recover such costs from benefit recipients. The Contractor shall be responsible for actual damages, if any, suffered by the state resulting from the over-issuance, including all expenses incurred that would have not been incurred but for the over-issuance.</p> <p>The total cumulative liability for liquidated and actual damages over the life of the base contract may not exceed the total annual cost of the contract with the state.</p>
19.	Transactions	Reversal transactions in any given month shall not exceed 1% of all transactions.	3.8.3.8	Reversal transactions exceed 1% of all transactions measured in a one-month period.	<p>For the first instance, instead of assessing liquidated damages the state may, at its sole discretion, require a Corrective Action Plan, as described in Section 2.6.1.2 of the RFP.</p> <p>For the second and any subsequent failure after the expected implementation of the Corrective Action Plan, \$ 100 for each failure.</p>



	Category	Performance Standard or Requirement	RFP Reference Number	Deficiency and Measurement	Liquidated Damages and/or Remedies
20.	Settlement	The Contractor shall ensure that settlement reports, such as the Account Activity file, used for the daily drawdown are received by the state no later than 6:00 AM Central Time.	3.6.2	Settlement reports are received by the State later than 6:00am central time.	For the first instance, instead of assessing liquidated damages the state may, at its sole discretion, require a Corrective Action Plan, as described in Section 2.6.1.2 of the RFP. For the second and any subsequent failure after the expected implementation of the Corrective Action Plan, \$ 100 for each failure.
21.	Settlement	ACH Settlement shall occur accurately and on schedule 99% of the time.	3.12.5.2	ACH Settlements shall be entered correctly and credits shall be entered into the ACH for settlement on the next banking day.	For the first instance, instead of assessing liquidated damages the state may, at its sole discretion, require a Corrective Action Plan, as described in Section 2.6.1.2 of the RFP. For the second and any subsequent failure after the expected implementation of the Corrective Action Plan, \$ 100 for each failure.
22.	Settlement	The Contractor shall research all variances that the State forwards and provide documentation to support resolution no later than 10 business days after notification.	3.6.2	Documentation is provided later than 10 business days	If the Contractor provides documentation more than 10 business days after notification, corrective action provisions will apply as described in Section 2.6.1.2. Furthermore, if the Contractor provides such documentation later than 20 business days, they may be assessed monetary damages of \$100 per day for each day after 20 business days, including the day of submission.



	Category	Performance Standard or Requirement	RFP Reference Number	Deficiency and Measurement	Liquidated Damages and/or Remedies
23.	Customer Service	The CCSC and the RCSC shall maintain an average answer time of less than 15 seconds.	3.7.1.3 3.7.2.1	Average answer time of 15 seconds or more. The State may randomly select a period of time to which the standard will be applied.	For the first instance, instead of assessing liquidated damages the state may, at its sole discretion, require a Corrective Action Plan, as described in Section 2.6.1.2 of the RFP. For the second and any subsequent failure after the expected implementation of the Corrective Action Plan, \$ 100 for each failure.
24.	Customer Service	The CCSC and the RCSC shall ensure that 85% of all calls are answering within 4 rings.	3.7.1.3 3.7.2.1	Less than 85% of all calls are answered within 4 rings. The State may randomly select a period of time to which the standard will be applied.	For the first instance, instead of assessing liquidated damages the state may, at its sole discretion, require a Corrective Action Plan, as described in Section 2.6.1.2 of the RFP. For the second and any subsequent failure after the expected implementation of the Corrective Action Plan, \$ 100 for each failure.
25.	Customer Service	The CCSC and the RCSC shall maintain an abandonment rate of less than 3%.	3.7.1.3 3.7.2.1	An abandonment rate of greater than 3%. The State may randomly select a period of time to which the standard will be applied.	For the first instance, instead of assessing liquidated damages the state may, at its sole discretion, require a Corrective Action Plan, as described in Section 2.6.1.2 of the RFP. For the second and any subsequent failure after the expected implementation of the Corrective Action Plan, \$ 100 for each failure.



	Category	Performance Standard or Requirement	RFP Reference Number	Deficiency and Measurement	Liquidated Damages and/or Remedies
26.	Customer Service	The CCSC and the RCSC shall ensure that no more than 10% of calls receive a busy signal.	3.7.1.3 3.7.2.1	More than 10% of all calls measured over period of one-week receive a busy signal or the State may randomly select a period of time to which the standard will be applied.	For the first instance, instead of assessing liquidated damages the state may, at its sole discretion, require a Corrective Action Plan, as described in Section 2.6.1.2 of the RFP. For the second and any subsequent failure after the expected implementation of the Corrective Action Plan, \$ 100 for each failure.
27.	Customer Service	The CCSC and the RCSC shall ensure 85% first-call resolution.	3.7.1.3 3.7.2.1	Failure to meet the standard of 85% first-call resolution, measured over a one-week period or the State may randomly select a period of time to which the standard will be applied.	For the first instance, instead of assessing liquidated damages the state may, at its sole discretion, require a Corrective Action Plan, as described in Section 2.6.1.2 of the RFP. For the second and any subsequent failure after the expected implementation of the Corrective Action Plan, \$ 100 for each failure.
28.	POS Equipment	95% of POS terminals shall be replaced or converted prior to database conversion	3.13.1	Failure to replace or convert 95% of all POS terminals prior to database conversion.	\$1000 for each terminal not replaced or converted.



	Category	Performance Standard or Requirement	RFP Reference Number	Deficiency and Measurement	Liquidated Damages and/or Remedies
29.	POS Equipment	Newly authorized retailers, must have access to the system 14 days after the receipt of the FNS retailer authorization notice, unless the retailer chooses to employ a TPP to drive its terminals or elect to drive its own terminals.	3.9.2	Newly authorized retailers do not have access to the system within 14 days of the notice.	<p>For each business day that the retailer does not have access to the system, starting with the 15<sup>th</sup> day and ending on the 28<sup>th</sup> day after the notice is received, the Contractor may be assessed damages of \$100 per day.</p> <p>For each business day on or after the 29<sup>th</sup> day, up to and including the day the retailer has access, the Contractor may be assessed damages of \$500 per day.</p>
30.	Reports	Management reports and data files defined in this RFP shall be provided to the state on a timely basis as defined for each report or file.	3.12.5	Failure to submit any report or data file on time.	<p>The State may delay payment to the Contractor as described in Section 2.6.1.3.</p> <p>For the first instance, instead of assessing liquidated damages the state may, at its sole discretion, require a Corrective Action Plan, as described in Section 2.6.1.2 of the RFP.</p> <p>For the second and any subsequent failure after the expected implementation of the Corrective Action Plan, \$ 100 for each failure.</p>



	Category	Performance Standard or Requirement	RFP Reference Number	Deficiency and Measurement	Liquidated Damages and/or Remedies
31.	Change Requests	The Contractor shall respond to change requests within two weeks of receiving the request from the State.	2.3.6.2 2.3.6.2.3	Failure to respond to any change request within two weeks.	<p>The State may delay payment to the Contractor as described in Section 2.6.1.3.</p> <p>For the first instance, instead of assessing liquidated damages the state may, at its sole discretion, require a Corrective Action Plan, as described in Section 2.6.1.2 of the RFP.</p> <p>For the second and any subsequent failure after the expected implementation of the Corrective Action Plan, \$ 100 for each failure.</p>
32.	State Requested Information	For fraud investigations, the Contractor shall provide the state with all information requested for evidentiary purposes within 24 hours of receipt of the request.	3.1.4	Failure to provide such information in a 24 hour period.	<p>For the first instance, instead of assessing liquidated damages the state may, at its sole discretion, require a Corrective Action Plan, as described in Section 2.6.1.2 of the RFP.</p> <p>For the second and any subsequent failure after the expected implementation of the Corrective Action Plan, \$ 100 for each failure.</p>



	Category	Performance Standard or Requirement	RFP Reference Number	Deficiency and Measurement	Liquidated Damages and/or Remedies
33.	Disaster Recovery Planning	Formal test of backup operations shall be conducted within 3 months of system implementation, and subsequently, annual test will be conducted.	3.14	Failure to conduct backup operations testing within 3 months, or on an annual basis.	For the first instance for failure to conduct the 3-month backup test or the first of the annual tests, the state may, as its sole discretion, require a Corrective Action Plan, as described in Section 2.6.1.2. of the RFP.  For failure to conduct any subsequent testing, after the expected implementation of the Corrective Action Plan, \$100 for each failure.
34.	Disaster Recovery Planning	Disaster back-up site shall be tested annually and the results shall be provided to the state within 30 calendar days.	3.14.1	Failure to test annually or to submit the results within 30 calendar days.	For the first instance, instead of assessing liquidated damages the state may, at its sole discretion, require a Corrective Action Plan, as described in Section 2.6.1.2 of the RFP. For the second and any subsequent failure after the expected implementation of the Corrective Action Plan, \$ 100 for each failure.
35.	General Performance	Acceptable performance by the Contractor in all requirements.	2.4	Unacceptable performance by the Contractor resulting in lost or reduced FFP.	Reduction in payment to Contractor equal to 1.5 times the amount of the lost or reduced FFP. The total liability to the Contractor for liquidated damages cannot exceed the total cost of the contract with the State.



	Category	Performance Standard or Requirement	RFP Reference Number	Deficiency and Measurement	Liquidated Damages and/or Remedies
37.	General Performance	Approved diversion of key personnel prior to expiration of the 30 business day advance notice period.	2.2.1	Unapproved diversion of key personnel prior to the expiration of the 30 business day advance notice period.	\$1000 per business day for each person diverted.
38.	General Performance	Annual SAS No.70 Examination must be performed annually, completed within 90 calendar days, and submitted to the State within 10 business days.	2.5.1.4	Failure to perform examination annually and within 90 calendar days, and submit such report within 10 business days of publication.	For the first instance, instead of assessing liquidated damages the state may, at its sole discretion, require a Corrective Action Plan, as described in Section 2.6.1.2 of the RFP. For the second and any subsequent failure after the expected implementation of the Corrective Action Plan, \$ 100 for each failure. The total liability to the Contractor for liquidated damages cannot exceed the total annual cost of the contract with the State.



**EBT PROJECT MANAGEMENT PHASES:  
DESIGN PHASE, DEVELOPMENT PHASE, TRANSITION PHASE,  
AND OPERATIONS PHASE**

<b>PROJECT MANAGEMENT PHASES</b>	<b>RFP REFERENCE</b>	<b>RFP TIME PERIOD</b>	<b>DUE DATE</b>
Signing the Contract	NA	Presumed no later than November 30, 2006	11-30-2006
Project Work Plan (PWP)	2.3.2.	Three (3) weeks after the signing of the Contract	12-22-2006
Project Work Plan	2.3.2.	DHFS has ten (10) business days to review and comment	12-14-2006
Project Work Plan	2.3.2.	Contractor has two (2) weeks to resubmit	12-29-2006
<b>DESIGN PHASE</b>	2.3.3.		
Transition Plan	2.3.3.1.	Four (4) months after Contract signing	3-1-2007
Functional Design Document	2.3.3.2.	Three (3) months after Contract signing	2-1-2007
Detailed Design Document	2.3.3.3.	In accordance with the Approved PWP	
Life-Cycle Testing Plan	2.3.3.4.	In accordance with the Approved PWP	
System Test Plan	2.3.3.5.	In accordance with the Approved PWP	
Disaster Recovery Plans	2.3.3.6.	Six (6) months after Contract signing	5-1-2007
System Security Plan	2.3.3.7.	Six (6) months after Contract signing	5-1-2007
Comprehensive Training Plan	2.3.3.8.	In accordance with the Approved PWP	



<b>PROJECT MANAGEMENT PHASES</b>	<b>RFP REFERENCE</b>	<b>RFP TIME PERIOD</b>	<b>DUE DATE</b>
Retailer and TPP Agreements	2.3.3.9.	Six (6) weeks prior to the start of the solicitation and negotiation of these contracts. Refer to page 28.	
<b>DEVELOPMENT PHASE</b>	2.3.4.	Must be completed no later than nine (9) months after Contract signing	8-1-2007
System Testing	2.3.4.1.	At least two (2) months prior to the Functional Demonstration	
Functional Demonstration	2.3.4.1.1.	No later than six (6) weeks prior to conducting the System Acceptance Test. Refer to the Approved PWP.	
Interface Testing	2.3.4.1.2.	In accordance with the Approved PWP	
System Acceptance Test	2.3.4.1.3.	In accordance with the Approved PWP	
Performance (Stress) Testing	2.3.4.1.4.	In accordance with the Approved PWP	
ARU Testing	2.3.4.1.5.	In accordance with the Approved PWP	
Transition Testing	2.3.4.1.6.	In accordance with the Approved PWP	
Live Demonstration	2.3.4.1.7.	NA	
Test Reports	2.3.4.2.	Must be completed no later than nine (9) months after Contract signing	8-1-2007
Updates to Detailed Design	2.3.4.3.	No later than one (1) month following the	



<b>PROJECT MANAGEMENT PHASES</b>	<b>RFP REFERENCE</b>	<b>RFP TIME PERIOD</b>	<b>DUE DATE</b>
		completion of the System Testing Process	
System Operations/Interface Procedures Manual	2.3.4.4.	In accordance with the Approved PWP	
Reports Manual	2.3.4.5.	Must be completed no later than nine (9) months after Contract signing	
Settlement/Reconciliation Manual	2.3.4.6.	In accordance with the Approved PWP	
Administrative Terminal Manual	2.3.4.7.	In accordance with the Approved PWP	
Customer Service Manual	2.3.4.8.	In accordance with the Approved PWP	
<b>TRANSITION PHASE</b>	2.3.5.	Must begin no less than two (2) months prior to the end of the Development Phase. This timeline must be reflected in the approved PWP.	
<b>OPERATIONS PHASE</b>	2.3.6.	In accordance with the Approved PWP	
System Documentation Library	2.3.6.1.	Due three (3) months before the end of the Transition Phase	
Change Management	2.3.6.2.	Continuous	



# **ATTACHMENT F**

## **EBT FILE FORMATS**



## 1.0. Demographic File

The Daily Demographic file is generated and transmitted once every CARES business day, inclusive or exclusive of any records. This file is used to setup first time FS clients, change demographic information, delete cardholders, reactivate accounts and replace cards.

The Emergency Demographic file is generated and transmitted several times every CARES business day, inclusive or exclusive of any records. This file is used to setup first time cardholders who require the same day access to their funds. This file is always transmitted before the daily demographic file.

### 1.1. Demographic Header Record

Field #	Description	Length	Field Position	Type	Comments	R/O
1	Record Type	2	1-2	X	“HD”	R
2	Transaction Type	8	3-10	X	“WICCUPDT” – Normal Demographics “WICCUPEX” – Emergency Demographics “WICONVE R” – Conversion Demographics	R
3	Date File Created	8	11-18	9	CCYYMMDD	R
4	Time File Created	8	19-26	9	HHMMSSSS	R
5	Control Number	6	27-32	9	Incremented by 1 after each transmission	R
6	State ID	2	33-34	X	“WI”	R
7	Reserved for State	25	35-59	X		O
8	Filler	158	60-217	X		N/A
9	Reserved for EBT Vendor EFS	4	218-221	X		O
10	Response Code	4	222-225	X	“0000” – no errors	R



*Record Length: 225*

*Numbered columns refer to action codes with the following values:*

*R: Required Field*

*O: Optional Field*

*N/A: Not applicable*

## **1.2. Demographic Header Record Edits**

- \*\* HD01 Invalid record type
- \*\* HD02 Invalid transaction type
- \* HD03 Invalid date (numeric and reasonability edits)
- \* HD04 Invalid time (numeric and reasonability edits)
- \* HD05 Invalid control number (numeric edit)
- \* HD06 Duplicate files (same control number for transaction type)
- \* HD07 File out of sequence (control number for transaction type not incremented to the next control number)
- \* HD08 Invalid State ID (must be "WI")
- \*\* *Reject entire file; no file is returned to the state*
- \* *Reject entire file; return entire file to the state*



### 1.3. Demographic Detail Record

Field #	Description	Length	Field Position	Type	Comments	R/O (1)	R/O (2)	R/O (3)	R/O (4)	R/O (5)	R/O (6)
1	Record Type	2	1-2	X	“DT”	R	R	R	R	R	R
2	Action Code	2	3-4	9	“01”–Initial Setup of Primary Person P/P (01) “02”–Demographic/Card Change P/P(01), A/P (02), A/B (03) “03”–Replace P/P Card (01) “04”–Replace Card A/P (02) A/B (03) “05”–A/P and A/B Add “09”–Reactivate Account	R	R	R	R	R	R
3	Case Number	10	5-14	9	Right justified with leading zero	R	R	R	R	R	R
4	PAN	16	15-30	9	Populate on Trans Type “WICCUPEX” only						
5	Program Type	1	31-31	9	“1”–Food Stamps “2”–Cash “3”–Both	R	R	R	R	R	R
6	Primary/Alternate	2	32-33	9	“01”–Primary	R	R	R	R	R	R



Field #	Description	Length	Field Position	Type	Comments	R/O (1)	R/O (2)	R/O (3)	R/O (4)	R/O (5)	R/O (6)
	Indicator				“02”–A/P “03”–A/B						
7	Cardholder Access	1	34-34	9	“0”–No Access “1”–Food Stamps “2”–Cash “3”–Both	R	R	R	R	R	O
8	Card Status	1	35-35	X	A–Active, I–Inactive	R	R	R	R	R	O
9	Card Issuance Code	1	36-36	X	M–Mail , B–Bulk (Training Center) N–No Card Generation	R	R	R	R	R	O
10	Social Security Number	9	37-45	9		O	O	O	O	O	O
11	Phone Number	10	46-55	9		O	O	O	O	O	O
12	First Name	15	56-70	X	Left Justified	R	R	R	R	R	R
13	Middle Initial	1	71-71	X	Left Justified	O	O	O	O	O	O
14	Last Name	20	72-91	X	Left Justified	R	R	R	R	R	R
15	Address-1 (Street Address)	30	92-121	X	Left Justified	R	R	R	R	R	O
16	Address-2 (Apt #, other)	30	122-151	X	Left Justified	O	O	O	O	O	O
17	City	20	152-171	X	Left Justified	R	R	R	R	R	O
18	State	2	172-173	X		R	R	R	R	R	O
19	Zip	9	174-182	9		R	R	R	R	R	O



Field #	Description	Length	Field Position	Type	Comments	R/O (1)	R/O (2)	R/O (3)	R/O (4)	R/O (5)	R/O (6)
20	County / Tribe Code	3	183-185	9	Right Justified with leading zero	R	R	R	R	R	O
21	Card Location Indicator	1	186-186	X	Used for sorting Vegas Cards by Training Center in conjunction with the County/Tribe Code: Required only for a Trans type "WICONVER" for action codes "01" and "05"	R	O	O	O	R	O
22	Date of Birth	8	187-194	9	CCYYMMDD	R	O	R	O	O	O
23	Language Indicator	1	195-195	X	"C" – Cambodian "E" – English "H" – Hmong "L" – Laotian "O" – Other "S" – Spanish "V" – Vietnamese	O	O	O	O	O	O
24	Restaurant Indicator	1	196-196	9	"0" No Access  "1" Access On	R	R	R	R	R	O
25	Worker ID	6	197-202	X	Echo back to WI on rejected	O	O	O	O	O	O



Field #	Description	Length	Field Position	Type	Comments	R/O (1)	R/O (2)	R/O (3)	R/O (4)	R/O (5)	R/O (6)
					records only						
26	Filler	15	203-217	X							
27	Reserved for EBT Vendor	4	218-221	X		O	O	O	O	O	O
28	Response Code	4	222-225	X	“0000” –no errors	R	R	R	R	R	R



*Record Length: 225*

*Numbered columns refer to action codes with the following values:*

*R—required field*

*O—optional field*

*N/A—not applicable*

#### **1.4. Demographic Detail Record Edits**

Hard Errors – Reject Records; Don't Process

- DT01 Invalid/missing record type
- DT02 Invalid/missing action code
- DT03 Case number missing/invalid
- DT04 Check for valid PAN if populated for Trans type WICCUPEX" only
- DT05 Invalid/missing program type
- DT06 Invalid/missing primary/alternate indicator
- DT07 Invalid/missing cardholder access for action codes "01", "02", "03", "04", "05"
- DT08 Invalid/missing card status set-up for action codes "01", "02", "03", "04", "05"
- DT09 Card Issuance Code is missing for action codes "01", "02", "03", "04", "05"
- DT10 Invalid social security number for action codes "01", "02", "03", "04", "05" (Numeric Check)
- DT11 Invalid phone number for action codes "01", "02", "03", "04", "05" (Numeric Check)
- DT12 Missing first or last name for action codes
- DT13 Missing address for action codes "01", "02", "03", "04", "05"
- DT14 Missing city for action codes "01", "02", "03", "04", "05"
- DT15 Missing state for action codes "01", "02", "03", "04", "05"
- DT16 Missing/invalid non numeric zip code (will accept 5 numeric + 4 spaces or 9 numeric) for action codes "01", "02", "03", "04", "05"
- DT17 Missing/invalid county code/tribe code for action codes "01", "02", "03", "04", "05"
- DT18 Missing Card Location Indicator on Transaction Type "WICONVER" for action codes "01" and "05"
- DT19 Missing/invalid date of birth for action codes "01", "03", Invalid for action codes "02", "04", "05"



- DT20 Invalid Restaurant indicator
- DT21 Reserved for Future Use
- DT22 Reserved for Future Use
- DT23 01 action code – Demographics already exist
- DT24 02 action code – No demographics exit
- DT25 03 action code – No Primary Demographics exist
- DT26 04 action code – No AP or AB Demographics exist
- DT27 05 action code – Demographics already exist
- DT28 05 action code – No Primary Demographic exits
- DT29 09 action code - No EDA account exist
- DT30 09 action code - EDA account is already active
- DT31 Reserved for future use
- DT32 Reserved for future use
- DT33 Reserved for future use
- DT34 Duplicate Cardholder Number (Vault)

Missing – Field data is required in proper format

Invalid – If populated with other than spaces perform numeric edit check

### 1.5. Demographic Trailer Record

Field #	Description	Length	Field Position	Type	Comments	R/O
1	Record Type	2	1-2	X	“TR”	R
2	Transaction Type	8	3-10	X	Must match header	R
3	Date	8	11-18	9	Must match header	R
4	Time	8	19-26	9	Must match header	R
5	Control Number	6	27-32	9	Must match header	R
6	Total Detail Records	6	33-38	9		R
7	Reserved for State	25	39-63	X		O
8	Filler	154	64-217	X		N/A



10	Reserved for EBT Vendor EFS	4	218-221			O
	Response Code	4	222-225	X	“0000” – no errors	R

*Record Length: 225*

*Numbered columns refer to action codes with the following values:*

*R—required field*

*O—optional field*

*N/A—not applicable*

## **1.6. Demographic Trailer Record Edits**

Reject entire file and return to State

TR01 Missing trailer record

TR02 Mismatch on transaction type

TR03 Mismatch on date

TR04 Mismatch on time

TR05 Mismatch on control number

TR06 Mismatch on total detail records

Note: Trailer error codes are also returned in the header record.

## **2.0. Benefit File**

A benefit file is used to pass benefit authorization information including type of benefit, amount of benefit and effective date of the benefit to the EBT vendor system.

A Daily Benefit File is transmitted by CARES once every business day, inclusive or exclusive of any records. An Emergency Benefit file is generated by CARES several times each business day, inclusive or exclusive of any records. A Monthly Benefit file is transmitted by CARES once every month.



## 2.1. Benefit Header Record

Field #	Description	Length	Field Position	Type	Comments	R/O
1	Record Type	2	1-2	X	"HD"	R
2	Transaction Type	8	3-10	X	"WIFSBEUP" – Daily FS Benefit "WIFSBEEEX" – Emergency FS Benefit "WIFSBEMN" – Monthly FS Benefits	R
3	Date	8	11-18	9	CCYYMMDD	R
4	Time	8	19-26	9	HHMMSSSS	R
5	Control Number	6	27-32	9	Incremented by 1 after each transmission	R
6	State ID	2	33-34	X	"WI"	R
7	Profile Number	9	35-43	9	550000001 – Food Stamps	R
8	Reserved for State	25	44-68	X		O
9	Filler	49	69-117	X		N/A
10	Reserved for EBT Vendor	4	118-121	X		O
11	Response Code	4	122-125	X	"0000" – No errors	R

*Record Length: 125*

*Numbered columns refer to action codes with the following values:*

*R: Required File*

*O: Optional File*

*N/A: Non-Applicable*

*Note: All batch transmissions are one logical file per physical file.*

## 2.2. Benefit Header Record Edits

- \*\* HD01 Invalid record type
- \*\* HD02 Invalid transaction type
- \* HD03 Invalid date
- \* HD04 Invalid time
- \* HD05 Invalid control number
- \* HD06 Duplicate file
- \* HD07 File out of sequence
- \* HD08 Invalid profile number
- \* HD09 Invalid State ID



\*\* Reject entire file and don't return detail records.

\* Reject entire file; return entire file.

### 2.3. Benefit Detail Record

Field #	Description	Length	Field Position	Type	Comments	R/O (1)	R/O (2)
1	Record Type	2	1-2	X	"DT"	R	R
2	Action Code	2	3-4	9	"01" – Update "02" – Void Pending	R	R
3	Benefit Type	6	5-10	X	See chart below	R	O
4	Credit/Debit Indicator	2	11-12	X	"CR" action code 01 or 02 "DB" action code 01 or 02	R	R
5	Case Number	10	13-22	9	Right justified with leading zero	R	R
6	Amount	7	23-29	9(5)V99		R	R
7	Available Date	8	30-37	9	CCYYMMDD. (Defaults to current date for action code 01 with a DB)	R	R
8	Benefit Month/Period Date	8	38-45	9	CCYYMMDD	R	R
9	Benefit Authorization Number	10	46-55	X	Benefit number will be Proceeded with an "F" for FS and "C" for Cash to insure uniqueness for all benefit authorization numbers	R	R
10	Worker ID	6	56-61	X	Echo back to WI on rejected records only	O	O
11	Reserved for State	20	62-81	X			
12	Filler	36	82-117	X			
13	Reserved for EBT Vendor	4	118-121	X			
14	Response Code	4	122-125	X	"0000" – no errors		



*Record Length: 125*

*Numbered columns refer to action codes with values of:*

*R –Required Field*

*O – Optional Field*

*N/A – Not Applicable*

*Alphanumeric data is left justified.*

*Numeric data is right justified.*

**Note:** *\*EFT fields not being used by State – will be blank*

## **2.4. Benefit Detail Record Edits**

Hard errors – reject record; don't Process.

DT01 Invalid /missing record type

DT02 Invalid/missing action code

DT03 Invalid/missing benefit type

DT04 Invalid/missing credit/debit indicator (must correspond with action code)

DT05 Invalid/missing case number

DT06 Invalid/missing amount

DT07 Invalid/missing availability date

DT08 Invalid/missing benefit period date

DT09 Invalid/missing benefit number

DT10 01 action code (CR)–duplicate benefit

DT11 01 action code (DB)–NSF

DT12 02 action code (DB)–no benefit found

DT13 Reserved for future use

DT14 Duplicate EDA Number

DT15 Duplicate Cardholder Number



## 2.5. Benefit Trailer Record

Field #	Description	Length	Field Position	Type	Comments	R/O (1)	R/O 2
1	Record Type	2	1-2	X	“TR”	R	
2	Transaction Type	8	3-10	X	Must match header	R	
3	Date	8	11-18	9	Must match header	R	
4	Time	8	19-26	9	Must match header	R	
5	Control Number	6	27-32	9	Must match header	R	
6	Credit Count	6	33-38	9	Total credit detail records	R	
7	Debit Count	6	39-44	9	Total debit detail records	R	
8	Credit Amount	10	45-54	9(8)V99	Total dollars all credit records	R	
9	Debit Amount	10	55-64	9(8)V99	Total dollars all debit records	R	
10	Total Detail Records	6	65-70	9		R	
11	Reserved for State	25	71-95	X		O	
12	Filler	22	96-117	X		N/A	
13	Reserved for EBT Vendor	4	118-121	X		O	
	Response Code	4	122-125	X	“0000” – no errors	R	

*Record Length:*

*Numbered columns refer to action codes with values of:*

*R: Required Field*

*O: Optional Field*

*N/A: Not Applicable*

## 2.6. Benefit Trailer Record Edits

Reject entire file and return to State.

TR01 Missing trailer record

TR02 Mismatch on transaction type



- TR03 Mismatch on date
  - TR04 Mismatch on time
  - TR05 Mismatch on control number
  - TR06 Mismatch on total detail records
  - TR07 Mismatch on credit count
  - TR08 Mismatch on debit count
  - TR09 Mismatch on credit amount
  - TR10 Mismatch on debit amount
- Note: Trailer errors are also returned in the header record.

### 3.0. Return Files

The Demographic and Benefit return files are transmitted to Wisconsin in the same format as the files that were sent to the Vendor.

If the data is rejected for any reason, an appropriate reason code is updated in the file. This helps the State to research the problem and resend the file to the Vendor, if necessary. There are distinct edits (reason codes) for the Header, Trailer and the Detail records. The edits are included in the file formats described above.

### 4.0. Aging File

The Aging file is transmitted from the EBT Vendor to Wisconsin on a daily calendar basis. This file currently contains information on warning and expunged accounts for FS at the account level. Wisconsin selected the following parameters for warning/active – 60 days, warning/active – 300 days, and expungement/inactive – 365 days. Wisconsin uses this file primarily for the generation of notices to FS clients and alerts to local agency supervisors and workers.

#### 4.1. Aging Header Record

Field #	Description	Length	Field Position	Type	Comments	R/O
1	Record Type	2	1-2	X	“HD”	R
2	Transaction Type	8	3-10	X	“WIINACTV”	R
3	Date	8	11-17	9	CCYYMMDD	R
4	Time	8	19-26	9	HHMMSSSS	R
5	Control Number	6	27-32	9	Incremented by 1 each time sent.	R



6	State ID	2	33-34	X	“WI”	R
7	Filler	42	35-76	X	Spaces	O

*Record Length: 33*

*Numbered columns refer to action codes with values of:*

*R – Required Field*

*O – Optional Field*

*N/A – Not Applicable*

#### 4.2. Aging Detail Record

Field #	Description	Length	Field Position	Type	Comments	R/O W	R/O D	R/O E
1	Record Type	2	1-2	X	“DT”	R	R	R
2	County / Tribe Code	3	3-5	9	RJ, populate with leading zeros	R	R	R
3	Case Number	10	6-15	9	RJ, populate with leading zeros	R	R	R
4	Card Number (Primary)	16	16-31	9		R	R	R
5	Last Debit Transaction Date	8	32-39	9	CCYYMMDD	R	R	R
6	Account Balance	7	40-46	9(5)V99	Remaining balance – Contains amount expunged for action indicator of “E”	R	R	R
7	Action Indicator Date	8	47-54	9	CCYYMMDD – Contains dates for action indicator “W”, “D”, “E”	R	R	R
8	Action Indicator	1	55-55	X	“W” – Warning Status “D” – Dormant/active Status “E” – Expunged Status	R	R	R



9	Program Type	1	56-56	9	“1” – Food Stamps “2” – Cash	R	R	R
10	Filler	20	57-76	X				



*Record Length: 76*

*Numbered columns refer to action codes with values of:*

*R – Required Field*

*O – Optional Field*

*N/A – Not Applicable*

Action Indicator	Program Type	Type Frame
W	1 (FS)	60
D	1 (FS)	300
E	1 (FS)	365

#### 4.3. Aging Trailer Record

Field #	Description	Length	Field Position	Type	Comments	R/O
1	Record Type	2	1-2	X	“TR”	R
2	Transaction Type	8	3-10	X	Must match header	R
3	Date	8	11-18	9	Must match header	R
4	Time	8	19-26	9	Must match header	R
5	Control Number	6	27-32	9	Must match header	R
6	Filler	38	39-76	X	Reserved for EBT Vendor	N/A

*Record Length: 76*

*Numbered columns refer to action codes with values of:*

*R – Required Field    O – Optional Field    N/A – Not Applicable*

#### 5.0. Account Activity File

Every calendar day, the EBT Vendor transmits to the State two daily account activity files that contain details of all-financial transactions, denials, and balance inquiries that occurred during the settlement day (origination day). The Benefit Authorization level activity file is based on transactions by the benefit authorization level. The Transaction Type level activity file will include transactions by types.



The Benefit level authorization file is utilized to reconcile directly to the settlement day (origination day); the file includes transactions pulled from the last two EBT Vendor business day alogs since the settlement day (origination day) transactions span the last two EBT Vendor business days. Approved Financial transactions appear by benefit authorization numbers, denials and balance inquires appear by transaction with zero in the completed amount field.

The Transaction level authorization file is utilized for historical information for the development of internal fraud reporting. The file includes transactions pulled from the EBT Vendor previous business day (log file). Approved Financial transactions appear by transaction level with the completed amount, denials and balance inquires appear by transaction level with zero in the completed amount field.

### 5.1. Account Activity Header Record

Field #	Description	Length	Field Position	Type	Comments	R/O
1	Record Type	2	1-2	X	"HD"	R
2	Transaction Type	8	3-10	X	"WIACTVITY"	R
3	Date	8	11-18	9	CCYYMMDD	R
4	Time	8	19-26	9	HHMMSSSS	R
5	Control Number	6	27-32	9	Incremented by 1 each time sent.	R
6	State ID	2	33-34	X	"WI"	R
7	Settlement Date	8	35-42	9	CCYYMMDD	R
8	Filler	118	43-160	X	Reserved for EBT Vendor use	N/A

*Record Length: 160*

*Numbered columns refer to action codes with values of:*

*R –Required Field*

*O – Optional Field*

*N/A – Not Applicable*



## 5.2. Account Activity Detail Record

Field #	Description	Length	Field Position	Type	Comments	R/O
1	Record Type	2	1-2	X	“DT”	R
2	Case Number	10	3-12	9	Populate with leading zeros. RJ	R
3	Cardholder Number	16	13-28	9		R
4	Primary/Alternate Indicator	2	29-30	9	“01”-PP, “02”-AP or “03”-AB	R
5	Transaction Type	3	31-33	9	See Table Below	R
6	Transaction Log Date	8	34-41	9	CCYYMMDD	R
7	Transaction Log Time	8	42-49	9	HHMMSSSS	R
8	Transaction Response Code	2	50-51	9	See Table Below	R
9	Reversal Reason Code	2	52-53	9	See Table Below	R
10	Benefit Type	6	54-59	X	See Benefit Detail Record for values	R
11	Credit/Debit Indicator	2	60-61	X	“CR” = Credit “DB” = Debit	R
12	Requested Amount (incl. fees/surc)	7	62-68	9(5)v99		R
13	Completed Amount (incl. fees/surc)	7	69-75	9(5)v99		R
14	Cashback Amount	7	76-82	9(5)v99		R
15	Benefit Auth Number Remaining Amount	7	83-89	9(5)v99		R
16	Benefit Period Month	8	90-97	9	CCYYMMDD	R
17	County Code / Tribe	3	98-100	9	Right Justified, populate with leading zeros.	R
18	FNS Number	7	101-107	9		R
19	POS/ATM ID	15	108-122	X		R



Field #	Description	Length	Field Position	Type	Comments	R/O
20	Benefit Authorization Number	10	123-132	X	Required for all Drawdown Trans.	R
21	Origination Date (Swlog)	8	133-140	9	CCYYMMDD – Settlement Day	R
22	Business Date (Alog)	8	141-148	9	CCYYMMDD – Business Day	R
23	Card Entry (Keyed or Swiped)	1	149	X	“K” = Manually Keyed PAN “S” = Card Swiped Terminal	R
24	Filler	11	150-160	X		N/A

Record Length: 160

Numbered columns refer to action codes with values of:

R – Required Field    O – Optional Field    N/A – Not Applicable

### 5.3. Account Activity Trailer Record

Field #	Description	Length	Field Position	Type	Comments	R/O
1	Record Type	2	1-2	X	“TR”	R
2	Transaction Type	8	3-10	X	Must match header	R
3	Date	8	11-18	9	Must match header	R
4	Time	8	19-26	9	Must match header	R
5	Control Number	6	27-32	9	Must match header	R
6	Total Detail Records	6	33-38	9		R
7	Total Credits	10	39-48	9(8)V99		R
8	Total Debits	10	49-58	9(8)V99		R
9	Filler	101	59-160	X	Reserved for EBT Vendor use	N/A



*Record Length: 160*

*Numbered columns refer to action codes with values of:*

*R – Required Field*

*O – Optional Field*

*N/A – Not Applicable*

#### 5.4. Account Activity Header Record (Transaction Level)

Field #	Description	Length	Field Position	Type	Comments	R/O
1	Record Type	2	1-2	X	“HD”	R
2	Transaction Type	8	3-10	X	“WIACTVTY”	R
3	Date	8	11-18	9	CCYYMMDD	R
4	Time	8	19-26	9	HHMMSSSS	R
5	Control Number	6	27-32	9	Incremented by 1 each time sent.	R
6	State ID	2	33-34	X	“WI”	R
7	Filler	145	35-179	X	Reserved for EBT Vendor use	N/A

*Record Length: 179*

*Numbered columns refer to action codes with values of:*

*R – Required Field*

*O – Optional Field*

*N/A – Not Applicable*



## 5.5. Account Activity Detail Record (Transaction Level)

Field #	Description	Length	Field Position	Type	Comments	R/O
1	Record Type	2	1-2	X	“DT”	R
2	Case Number	10	3-12	9	Populate with leading zeros. RJ	R
3	Cardholder Number	16	13-28	9	16 digit card number	R
4	Primary/Alternate Indicator	2	29-30	9	“01”-PP, “02”-AP or “03”-AB	R
5	Transaction Type	3	31-33	9	See Table Below	R
6	Transaction Log Date	8	34-41	9	CCYYMMDD	R
7	Transaction Log Time	8	42-49	9	HHMMSSSS	R
8	Transaction Response Code	2	50-51	9	See Table Below	R
9	Reversal Reason Code	2	52-53	9	See Table Below	R
10	Credit/Debit Indicator	2	54-55	X	“CR” = Credit “DB” = Debit	R
11	Requested Amount (incl. fees/surc)	7	56-62	9(5)v9 9		R
12	Completed Amount (incl. fees/surc)	7	63-69	9(5)v9 9		R
13	Cashback Amount	7	70-76	9(5)v9 9		R
14	County Code / Tribe	3	77-79	9	Right Justified, populate with leading zeros.	R
15	FNS Number	7	80-86	9		R
16	POS/ATM ID	15	87-101	X		R
17	Origination Date (Swlog)	8	102-109	9	CCYYMMDD – Settlement Day	R
18	Business Date (Alog)	8	110-117	9	CCYYMMDD – Business Day	R
19	Card Entry (Keyed or Swiped)	1	118-118	X	“K” = Manually Keyed PAN “S” = Card Swiped Terminal	R
20	Merchant Name	15	119-133	X	Merchant Name	O
21	Reg. E	40	134-173	X	POS Merchant Location	O
22	Filler	6	174-179	X	Reserved for EBT Vendor use	



*Record Length: 179*

*Numbered columns refer to action codes with values of:*

*R – Required Field    O – Optional Field    N/A – Not Applicable*

## 5.6. Account Activity Trailer Record (Transaction Level)

Field #	Description	Length	Field Position	Type	Comments	R/O
1	Record Type	2	1-2	X	“TR”	R
2	Transaction Type	8	3-10	X	Must match header	R
3	Date	8	11-18	9	Must match header	R
4	Time	8	19-26	9	Must match header	R
5	Control Number	6	27-32	9	Must match header	R
6	Total Detail Records	6	33-38	9		R
7	Total Credits	10	39-48	9(8)V99		R
8	Total Debits	10	49-58	9(8)V99		R
9	Filler	121	59-179	X	Reserved for EBT Vendor use	N/A

*Record Length: 179*

*Numbered columns refer to action codes with values of:*

*R – Required Field    O – Optional Field    N/A – Not Applicable*

## 5.7. Activity Transaction Codes

Transaction	Function	Description
101 (NA)	Emergency Benefit Add (Admin)	Authorize emergency benefits from an administrative terminal (non-settling)
102	Coupon Conversion	Debit account food stamp balance and issue Food coupons (non-settling)
103	Account Adjustment (Admin)	Credit or debit an account balance through an Administrative terminal (settling)



104	Food Stamp Manual Authorization	Debit account based on food stamp manual Authorization hold funds (non-settling)
105	Repayment	Debit account based on repayment/recoupment (non-settling)
106 (NA)	Card Replacement Fee	Fee for excessive card replacements (settling)
201	Benefit Add (Batch)	Add funds to an account via the batch interface ( non-settling)
202	Coupon Conversion Expungement	Expunge portion of account food stamp balance that could not be converted to coupons (non-settling)
203	Expungement	Expunge account balance after no debit activity (non-settling) for 365 days (non-settling)
204	Food Stamp Manual Authorization Release	Credit client account if merchant does not submit voucher within 30 days (non-settling)
207 (NA)	Client ACH Adjustment (Direct Deposit)	Adjustment to remove funds from client account to pass to ACH (settling)
301	Food Stamp Purchase	Purchase food with food stamp benefits (settling)
302	Food Stamp Merchandise Return	Credit account when merchandise is returned (settling)
303 (NA)	Account Adjustment (TPP)	Credit or debit an account balance through a TPP transaction (settling)
304 (NA)	Cash Withdrawal	Account cash withdrawal (ATM) (settling)
305 (NA)	Purchase Transaction	Account cash purchase (POS) (settling)
306 (NA)	Purchase with Cash Back	Account cash purchase plus cash back (POS) (settling)
307 (NA)	Cashback Only	Cash Back (POS) (settling)
309	Balance Inquiry	Account balance inquiry (non-settling)
310	Food Stamp Manual Authorization Debit	Follow up to manual authorization; held funds debited to pay merchant (settling)
411	Reversal/Cancellation	Reverse or cancel all or part of a transaction from an ATM/POS (settling)
412	Void	Cancel a transaction from a POS device (settling)

*Note: An “8” in the 2 character position of the transaction type code will refer to an UNAPPLIED TRANSACTION type to the particular transaction type. These transaction types will be accounted for in the settlement process.*



## 5.8 Transaction Response Codes (2 Byte)

Code	Description	Code	Description
00	Transaction Approved	55	Invalid PIN
04	Invalid FNS Number	56	Card not on file
05	General Denial	57	Transaction not permitted for cardholder
07	Inactive Terminal	58	Future Use
12	Invalid Transaction Code	62	Inactive card
14	Invalid Account	63	Closed card
15	Invalid Cash Request	64	Card status inactive
17	Maximum Amount Exceeded	75	PIN tries exceeded
31	Unknown Card Bank	76	PIN key synchronization error
41	Hot Card	77	Maximum PIN tries exceeded
50	Pre-authorization Transaction Denial	79	Duplicate reversal
51	Insufficient Funds	80	Manual authorization expired
52	Account Not On File	81	No manual authorization record
54	Expired Card	91-95	Unable to process transaction

## 5.9. Reversal Reason Codes (2 Byte)

POS 1	Description	POS 2	Description
0	Not a reversal	0	Not a reversal
1	Card acceptor-originated reversal	2	Terminal processor error
2	Acquirer-originated reversal	3	System time out
3	Intermediate facility originated reversal	4	Terminal error/misdispense
4-9	Reserved	5	Terminal communication error
		6	Terminal error



		7	Late or unsolicited response
		8	Clerk Initiated Reversal

#### 5.10. Data Element/Transaction Type Matrix

	101	102	103	104	105	106	201	202	203	204	207
Record Type	R	R	R	R	R	R	R	R	R	R	R
Case Number	R	R	R	R	R	R	R	R	R	R	R
Card Number				R							
Primary/Alternate Indicator				R							
Transaction Type	R	R	R	R	R	R	R	R	R	R	R
Transaction Log Date	R	R	R	R	R	R	R	R	R	R	R
Transaction Log Time	R	R	R	R	R	R	R	R	R	R	R
Transaction Response Code	R	R	R	R	R	R	R	R	R	R	R
Reversal Reason Code											
Benefit Type	R	R	R	R	R	R	R	R	R	R	R
Credit/Debit Indicator	R	R	R	R	R	R	R	R	R	R	R
Requested Amount	R	R	R	R	R	R	R	R	R	R	R
Completed Amount	R	R	R	R	R	R	R	R	R	R	R
Cashback Amount	R	R	R	R	R	R	R	R	R	R	R
Benefit Auth Remaining Amt	R	R	R	R	R	R	R	R	R	R	R
Benefit Month	R	R	R	R	R	R	R	R	R	R	R
County Code / Tribe	R	R	R	R	R	R	R	R	R	R	R
FNS Number				R							
POS/ATM ID											
Benefit Authorization Number	R	R	R	R	R	R	R	R	R	R	R
Origination Date	R	R	R	R	R	R	R	R	R	R	R
Business Date	R	R	R	R	R	R	R	R	R	R	R
Card Entry Mode											



**Data Element/Transaction Type Matrix, cont**

	301	302	303	304	305	306	307	309	310	411	412
Record Type	R	R	R	R	R	R	R	R	R	R	R
Case Number	R	R	R	R	R	R	R	R	R	R	R
EBT Account Number	R	R	R	R	R	R	R	R	R	R	R
Card Number	R	R	R	R	R	R	R	R	R	R	R
Primary/Alternate Indicator	R	R	R	R	R	R	R	R	R	R	R
Transaction Type	R	R	R	R	R	R	R	R	R	R	R
Transaction Log Date	R	R	R	R	R	R	R	R	R	R	R
Transaction Log Time	R	R	R	R	R	R	R	R	R	R	R
Transaction Response Code	R	R	R	R	R	R	R	R	R	R	R
Reversal Reason Code										R	
Benefit Type	R	R	R	R	R	R	R		R	R	R
Credit/Debit Indicator	R	R	R	R	R	R	R		R	R	R
Requested Amount	R	R	R	R	R	R	R		R	R	R
Completed Amount	R	R	R	R	R	R	R		R	R	R
Cashback Amount	R	R	R	R	R	R	R	R	R	R	R
Benefit Auth Remaining Amt	R	R	R	R	R	R	R	R	R	R	R
Benefit Month	R	R	R	R	R	R	R	R	R	R	R
County Code / Tribe	R	R	R	R	R	R	R	R	R	R	R
FNS Number	R	R	R1						R	R1	R1
POS/ATM ID	R	R	R	R	R	R	R	R	R	R	R
Benefit Authorization Number	R	R	R	R	R	R	R		R	R	R
Origination Date	R	R	R	R	R	R	R		R	R	R
Business Date	R	R	R	R	R	R	R		R	R	R
Card Entry Mode	R	R	R	R	R	R	R				

*R = Required*

*R1 = Required for FS Transactions*

*O = Optional*

*Blank = N/A*



## 6.0. Vault Cards (Card issuance)

The Vault Card Inventory file will be transmitted from the EBT Vendor to Wisconsin on a daily calendar basis. This file contains vault cards issued on a daily base by Wisconsin local agencies through the emergency demographic file (initial issuance) or through the Administrative Screen (emergency replacement). The Cardholder Demographic file is transmitted each calendar day and extracts vault cards issued based on the open date field and a “9” in the seventh character position. The file is sorted by local agency by cardholder.

Wisconsin uses this file primarily for the inventory control of vault cards and to support the OIG audits.

### 6.1 Vault Card Inventory Header Record

	Description	Length	Field Position	Type	Comments	R/O
1	Record Type	2	1-2	X	“HD”	R
2	Transaction Type	8	3-10	X	“WICRDACT”	R
3	Date	8	11-18	9	CCYYMMDD	R
4	Time	8	19-26	9	HHMMSSSS	R
5	Control Number	6	27-32	9	Incremented by 1 each time sent	R
6	State ID	2	33-34	X	“WI”	R
7	Filler	82	35-116	X	Reserved for EBT Vendor Use	N/A

*Record Length: 116*

*Numbered columns refer to action codes, with values of:*

*R –Required Field*

*O – Optional Field*

*N/A – Not Applicable*



## 6.2. Vault Card Inventory Detail Record

Field #	Description	Length	Field Position	Type	Comments	R/O
1	Record Type	2	1-2	X	“DT”	R
2	Card Number (PAN)	16	3-18	9	16 Digit temporary card number – Prim Acct Num	R
3	Case Number	10	19-28	9	Right justified with leading zeros	R
4	First Name	15	29-43	X		R
5	Middle Initial	1	44-44	X		R
6	Last Name	20	45-64	X		R
7	County Code/ Tribe Code	5	65-69	9	Right justified with leading zero	R
8	Date	8	70-77	9	CCYYMMDD	R
9	Time	8	78-85	9	HHMMSSSS	R
10	Card Creator	8	86-93	X	File Program or Screen Program	R
11	Filler	23	94-116	X	Reserved for EBT Vendor Use	N/A

Record Length: 116

Numbered columns refer to action codes, with values of:

R: Required field      O: Optional field      N/A - Not Applicable

## 6.3. Vault Card Inventory Trailer Record

Field #	Description	Length	Field Position	Type	Comments	R/O
1	Record Type	2	1-2	X	“TR”	R
2	Transaction Type	8	3-10	X	Must match header	R
3	Date	8	11-18	9	Must match header	R
4	Time	8	19-26	9	Must match header	R
5	Control Number	6	27-32	9	Must match header	R
6	Total Detail	6	33-38	9		R



	Records					
7	Filler	78	39-116	X	Reserved for EBT Vendor Use	N/A



*Record Length: 116*

*Numbered columns refer to action codes, with values of:*

*R: Required field*

*O: Optional field*

*N/A -- Not Applicable*

## 7.0. Unlinked Benefits File Layout

The Unlinked Benefit file is transmitted from the EBT Vendor to Wisconsin on a daily calendar basis. This file contains transaction-based information on unlinked benefits, expired pending benefits, voided pending benefits from the benefit file via the batch file and the daily status of current benefits that have not expired or been voided out by the benefit file.

Wisconsin uses the expiration day parameter of “10” (10 days) after the availability date for expiring pending benefits. Wisconsin uses this file in conjunction with the account activity file to reconcile the Wisconsin authorization to the EBT Vendor Database balances and the Pending Benefit file balances.

### 7.1. Unlinked Benefits Header Record

Field #	Description	Length	Field Position	Type	Comments	R/O
1	Record Type	2	1-2	X	“HD”	R
2	Transaction Type	8	3-10	X	WIPENDNG— Wisconsin Pending	R
3	Date	8	11-18	9	CCYYMMDD	R
4	Time	8	19-26	9	HHMMSSSS	R
5	Control Number	6	27-32	9	Incremented by one each time sent	R
6	State ID	2	33-34	X	“WI”	R
7	Reserved for State	25	35-59	X		O
8	Filler	21	60-80	X	Reserved for EBT Vendor use	N/A

*Record Length: 80*

*Numbered columns refer to action codes, with values of*



*R—Required Field*

*O—Optional Field*

*N/A—Not Applicable*

*Note: All batch transmissions are one logical file per physical file.*

## 7.2. Unlinked Benefits Detail Record

Field #	Description	Length	Field Position	Type	Comments	R/O
1	Record Type	2	1-2	X	“DT”	R
2	Action Code	2	3-4	9	01—Unlinkable Pending Benefits 02—Delete Expired Pending Benefits	R
3	Benefit Type	6	5-10	X		R
4	Credit Indicator	2	11-12	X	“CR”—Credit	R
5	Case Number	10	13-22	9	Right justified with leading zero	R
6	Amount	7	23-29	9(5)V99		R
7	Available Date	8	30-37	9	CCYYMMDD	R
8	Benefit Period Date	8	38-45	9	CCYYMMDD (month of benefit payment)	R
9	Benefit Authorization Number	10	46-55	X	Right justified with leading zeros Benefit number will be Proceeded with an “F” for FS and “C” for Cash to insure uniqueness for all benefit authorization numbers	R
10	Filler	25	56-80	X	Reserved for EBT Vendor use	N/A

*Record Length: 80*

*Numbered columns refer to action codes, with values of:*

*R—Required Field*

*O—Optional Field*

*N/A—Not Applicable*

*Note: All batch transmissions are one logical file per physical file.*



### 7.3. Unlinked Benefits Trailer Record

Field #	Description	Length	Field Position	Type	Comments	R/O
1	Record Type	2	1-2	X	"TR"	R
2	Transaction Type	8	3-10	X	Must match header	R
3	Date	8	11-18	9	Must match header	R
4	Time	8	19-26	9	Must match header	R
5	Credit Count	6	27-32	9	Total credit detail records	R
6	Debit Count	6	33-38	9	Total debit detail records	R
7	Credit Amount	10	39-48	9(8)V99	Total dollars all credit records	R
8	Debit Amount	10	49-58	9(8)V99	Total dollars all debit records	R
9	Total Detail Records	6	59-64	9		R
10	Filler	16	65-80	X	Reserved for EBT Vendor use	N/A

Record Length: 80

Numbered columns refer to action codes, with values of:

R—Required Field

O—Optional Field

N/A—Not Applicable

Note: All batch transmissions are one logical file per physical file.

### 8.0. Data Element/Transaction Matrix

Data Element	101	102	103	104	105	181	201	202	203	204	207	208	206	284	301	302	303	304	305	306	307	308	309	310	311	312
Record Type	R	R	R	R	R	R	R	R	R	R	R	R	R	R	R	R	R	R	R	R	R	R	R	R	R	R
Client ID	R	R	R	R	R	R	R	R	R	R	R	R	R	R	R	R	R	R	R	R	R	R	R	R	R	R
Protective Payee Indicator	R	R	R	R	R	R	R	R	R	R	R	R	R	R	R	R	R	R	R	R	R	R	R	R	R	R



Data Element	101	102	103	104	105	181	201	202	203	204	207	208	206	284	301	302	303	304	305	306	307	308	309	310	311	312
EBT Account Number	R	R	R	R	R	R	R	R	R	R	R	R	R	R	R	R	R	R	R	R	R	R	R	R	R	R
Card Number				R											R	R	R	R	R	R	R	R	R	R	R	R
Primary/Alternate Indicator				R											R	R	R	R	R	R	R	R	R	R	R	R
Transaction Type	R	R	R	R	R	R	R	R	R	R	R	R	R	R	R	R	R	R	R	R	R	R	R	R	R	R
Transaction Date	R1	R1	R1	R1	R1	R1	R2	R3	R3	R3	R3	R3	R3	R3	R1	R1	R1	R1	R1	R1	R1	R1	R1	R1	R1	R1
Transaction Time	R1	R1	R1	R1	R1	R1	R2	R3	R3	R3	R3	R3	R3	R3	R1	R1	R1	R1	R1	R1	R1	R1	R1	R1	R1	R1
Transaction Response Code	R	R	R	R	R	R	R	R	R	R	R	R		R	R	R	R	R	R	R	R	R	R	R	R	R
Reversal Reason Code																									R	
Benefit Type	R	R	R	R	R	R	R	R	R	R	R	R		R	R	R	R	R	R	R	R	R		R	R	
Credit/Debit Indicator	R	R	R	R	R	R	R	R	R	R	R	R		R	R	R	R	R	R	R	R	R		R	R	
Requested Amount	R	R	R	R	R	R	R	R	R	R	R	R		R	R	R	R	R	R	R	R	R		R	R	
Completed Amount	R	R	R	R	R	R	R	R	R	R	R	R		R	R	R	R	R	R	R	R	R		R	R	
Cash back Amount																				R	R					
Account Balance	R	R	R	R	R	R	R	R	R	R	R	R		R	R	R	R	R	R	R	R	R	R	R	R	
County Code	R	R	R	R	R	R	R	R	R	R	R	R		R	R	R	R	R	R	R	R	R	R	R	R	
FNS Number				R											R	R								R		
Merchant Number																	R		R	R	R	R	O		R	R
Batch Day																										
Batch Number																										



Data Element	101	102	103	104	105	181	201	202	203	204	207	208	206	284	301	302	303	304	305	306	307	308	309	310	311	312
POS/ATM ID																R	R	R	R	R	R	R	R	R	R	R
Filler																										

**Data Element/Transaction Matrix, cont**

Data Element	380	381	382	389	394	395	396	397	399	998	999
Record Type	R	R	R	R	R	R	R	R	R	R	R
Client ID	R	R	R	R	R	R	R	R	R	R	R
Protective Payee Indicator	R	R	R	R	R	R	R	R	R	R	R
EBT Account Number	R	R	R	R	R	R	R	R	R	R	R
Card Number	R	R	R	R	R	R	R	R	R		
Primary/Alternate Indicator	R	R	R	R	R	R	R	R	R		
Transaction Type	R	R	R	R	R	R	R	R	R		
Transaction Date	R1	R1	R1	R1	R1	R1	R1	R1	R1		
Transaction Time	R1	R1	R1	R1	R1	R1	R1	R1	R1		
Transaction Response Code	R	R	R	R	R	R	R	R	R		
Reversal Reason Code											
Benefit Type		R	R		R	R	R	R			
Credit/Debit Indicator		R	R		R	R	R	R			
Requested Amount		R	R		R	R	R	R			
Completed Amount		R	R		R	R	R	R			
Cash back Amount							R	R			
Account Balance	R	R	R	R	R	R	R	R	R		
County Code	R	R	R	R	R	R	R	R	R		
FNS Number		R	R								
Merchant Number	O			O		R	R	R	O		
Batch Day											
Batch Number											
POS/ATM ID	R		R	R	R	R	R	R	R		
Filler											



*R = Required, O = Optional, N/A = Not Applicable*

*1 = Date and Time of on-line transaction*

*2 = Date and Time on batch interface header record*

*3 = Date and Time batch job executes*

## 9.0. Daily Card File

The card file contains details of cards that have been sent to the card vendor. The file is produced and transmitted to the State daily. The file includes the name and address information of the cardholder, as well as the case number, card number, county, and date and time that the vendor card record was created.

### 9.1. Card Header Record

Field #	Description	Length	Field Position	Type	Comments	R/O
1	Record Type	2	1-2	X	"HD"	R
2	Transaction Type	8	3-10	X	"WIDLYCAR"	R
3	Date	8	11-18	9	CCYYMMDD	R
4	Time	8	19-26	9	HHMMSSSS	R
5	Control Number	6	27-32	9	Incremented by 1 each time sent	R
6	State ID	2	33-34	X	"WI"	R
7	Filler	126	35-160	X	Reserved for EBT Vendor Use	N/A

*Record Length: 160*

*Column Heading "R/O" value meanings:*

*R: Required Field*

*O: Optional Field*

*N/A: Not Applicable*

### 9.2. Card Detail Record

Field #	Description	Length	Field Position	Type	Comments	R/O
1	Record Type	2	1-2	X	"DT"	R



Field #	Description	Length	Field Position	Type	Comments	R/O
2	Card Number (PAN)	16	3-18	9		R
3	Case Number	10	19-28	9	Right justified with leading zeros	R
4	Primary Alternate Ind	2	29-30	X	01 – primary person 02 – alternate payee 03 – authorized buyer	R
5	County ID	5	31-35	9	Left justified with trailing spaces	R
6	Date	8	36-43	9	CCYYMMDD	R
7	Time	4	44-47	9	HHMM	R
8	Last Name	16	48-63	X		R
9	First Name	16	64-79	X		R
10	Address 1	25	80-104	X		R
11	Address 2	8	105-112	X		R
12	City	15	113-127	X		R
13	State	2	128-129	X		R
14	Zip Code	9	130-138	X		R
15	Filler	22	139-160	X	Reserved for EBT Vendor Use	N/A

*Record Length: 160*

*Column Heading “R/O” value meanings:*

*R: Required Field*

*O: Optional Field*

*N/A: Not Applicable*

### 9.3. Card Trailer Record

Field #	Description	Length	Field Position	Type	Comments	R/O
1	Record Type	2	1-2	X	“TR”	R
2	Transaction Type	8	3-10	X	Must match header	R
3	Date	8	11-18	9	Must match header	R
4	Time	8	19-26	9	Must match header	R
5	Control Number	6	27-32	9	Must match header	R
6	Total Detail Records	6	33-38	9		R
7	Filler	122	39-160	X	Reserved for EBT Vendor Use	N/A



*Record Length: 160*

*Column Heading “R/O” value meanings:*

*R: Required Field    O: Optional Field    N/A: Not Applicable*

## **10.0. Claim Activity File**

The claim activity file, transmitted to the state daily, contains data on new debit adjustments and denied credit adjustments. The states use this file primarily to generate adverse action notices.

### **10.1. Claim Activity File Header Record**

DESCRIPTION	LENGTH	TYPE	COMMENTS	REQ'D
Record Type	2	X	HD	R
Transaction Type	8	X	STXXADJ	R
Date	8	9	CCYYMMDD	R
Time	8	9	HHMMSSSS	R
Control Number	6	9	Increased by one each time sent	R
State ID	2	X	WI	R
Filler	366	X		O

*Record length = 400 characters*

*Column Heading “R/O: value meanings:*

*R = Required; O = Optional*

*Note: All batch transmissions are one logical file per physical file.*

### **10.2. Claim Activity File Detail Record**

Description	Length	Type	Comments	REQ'D
Record Type	2	X	DT	R
County/Service Site Code	5	X	XXYYY where XX = County YYY = Local office	R
State Unique ID	15	X	State Unique ID (case number)	R
EBT Account Number	12	9	Internal EBT Vendor Electronic Debit Account	R



Description	Length	Type	Comments	REQ'D
			(EDA) number	
Adjustment Number	17	X	Internal EBT Vendor number assigned to the adjustment	R
Social Security Number	9	9	Cardholder's Social Security number	R
Card Number	19	X	Cardholder's card number is required (left-justified, right space-filled)	R
Primary / Alternate Indicator	2	9	01 = Primary person 02 = Alternate payee 02 = Authorized buyer	R
Last Name	25	X	Cardholder's last name	R
First Name	20	X	Cardholder's first name	R
Middle Initial	1	X	Cardholder's middle initial	O
Address 1	30	X	Cardholder's address	R
Address 2	30	X	Optional second address line	O
City	25	X	City	R
State	2	X		R
Zip	9	X	Must be numeric and either 9 digits or 5 numeric characters followed by 4 spaces	R
Program Type	2	9	01 = Food Stamps 02 = Cash	R
Adjustment Status	2	9	01 = New claim 09 = Denied by retailer/ TPP/network	R
Fair Hearing Code	2	X	Always spaces	O
Adjustment Amount	7	9(5)V99	Amount of the adjustment	R
Adjustment Create Date	8	9	CCYYMMDD	R
Trace Number/Retrieval	15	X	Settlement information from network or switch	R
Transaction Date	8	9	CCYYMMDD	R
Transaction Time	8	9	HHMMSSSS	R
FNS Number	10	X	Food Stamps only	R
Retailer/TPP Name	15	X	Retailer/TPP information from network or switch	O*



Description	Length	Type	Comments	REQ'D
Retailer Reg E Information	15	X	Retailer/TPP address information from network or switch	O
Transaction Type	2	X	CR = Credit DB = Debit	R
Primary Written Language Indicator	2	X	Check detail design for state	R
Claim Type	15	X	MAN-CH = Man Voucher— Cardholder Initiated MISDIS = ATM/POS Misdispense SMDRCH = Settlement MGR Debit C/H N/WDEB = Network Initiated Debit	R
Retailer Address	25	X		O*
Retailer City	25	X		O*
Retailer State	2	X		O*
Retailer Zip	9	X		O
Filler	5	X		O

*\* This information is not provided for manual authorizations. Manual authorizations are preformed via an ARU.*

*Record length = 400 characters*

### 10.3. Claim Activity File Trailer Record

DESCRIPTION	LENGTH	TYPE	COMMENTS	REQ'D
Record Type	2	X	TR	R
Transaction Type	8	X	Must match header	R
Date	8	9	Must match header	R
Time	8	9	Must match header	R
Control Number	6	9	Must match header	R
Total Detail Records	6	9	Total detail records	R
Filler	362	X		O

*Record length = 400 characters*

*R = Required*

*O = Optional*



## 11.0. AMA File Formats

### File Formats (Incoming)

Each batch issuance file received by AMA must be in the format specified below in order for data to be successfully processed.

### Issuance Files

Processors may send batch files that contain issuance data. Each file is required to have a File Header Record and a File Trailer Record. If the file contains only a File Header Record and File Trailer Record, then the file trailer's File-Record-Count must be 000002 and the file will be treated as an empty file.

If the file is not empty it must contain at least one project header record, at least one effective date detail record for each project header record, one to five unique detail transaction records for each effective date record, and a project trailer record for each project header. The records should be sequenced in the following manner:

Project Header Records should appear in ascending order based on the combination of Agency-Location-Code, Region-Code, Recipient-Organization-ID, Program-Year-Code, and Letter-Of-Credit-Code.

Detail Effective Date Records should appear in ascending order within each project based on Effective-Date.

Detail Transaction Code Records should appear in ascending order within each effective date based on Transaction-Code.

The following depicts the format of this file:

File is fixed block

Record size is 80 characters



### 11.1. File Header Record

Field	Length/Type	Value/Description
Record Type	PIC X(02)	FH
Processor	PIC 9(08)	Number which uniquely identifies a processor; FRB Operations will provide this number to each processor before the processor begins transmitting issuance files
File Number	PIC 9(06)	Must be unique for the Project (if a processor handles more than one state, the beginning file number may vary)
File Creation Date	PIC 9(08)	CCYYMMDD format
File Creation Time	PIC 9(06)	HHMMSS format
Filler	PIC X(50)	SPACES

*\*\* If an EBT service provider handles more than one state, the beginning file number may vary.*

### 11.2. Project Header Record

(Duplicate Project Header Records are not allowed within a file.)

Field	Length/Type	Value/Description
Record Type	PIC X(02)	PH
Agency Location Code	PIC X(08)	12350001
Region Code	PIC X(02)	09
Recipient Organization ID	PIC 9(07)	Recipient Organization ID for the project



Program Year Code	PIC X(04)	0080
Letter of Credit Code	PIC X(04)	Letter of Credit Code for the project
Index Code	PIC X(12)	9S6008
Filler	PIC X(41)	SPACES

### 11.3. Detail Record - Effective Date

(Duplicate Effective Date Records are not allowed within a project.)

Field	Length/Type	Value/Description
Record Type	PIC X(02)	PD
Detail Type	PIC X(02)	ED
Effective Date	PIC 9(08)	CCYYMMDD format
Filler	PIC X(68)	SPACES



#### 11.4. Detail Record - Transaction Code

(Duplicate Transaction Code Records are not allowed within an effective date.)

Field	Length/Type	Value/Description
Record Type	PIC X(02)	PD
Detail Type	PIC X(02)	PB
Transaction Code	PIC X(02)	IO (issuance other)  IS (issuance) RC (return coupon) RE (return expungement) RO (return other)
Transaction Amount	PIC 9(12) V(02)	
Filler	PIC X(60)	SPACES

#### 11.5. Project Trailer Record

Field	Length/Type	Value/Description
Record Type	PIC X(02)	PT
Agency Location Code	PIC X(08)	12350001
Region Code	PIC X(02)	09
Recipient Organization ID	PIC 9(07)	Must match the Project Header Record
Program Year Code	PIC X(04)	0080
Letter of Credit Code	PIC X(04)	Must match the Project Header Record



Index Code	PIC X(12)	9S6008
Filler	PIC X(06)	SPACES
Project Total Amount	PIC 9(12)V(02)	Sum of all transaction amounts for current project (will be positive number since each transaction amount is positive)
Project Record Count	PIC 9(06)	Count of all records for current project including Project Header and Project Trailer records
Filler	PIC X(15)	SPACES



## 11.6. File Trailer Record

Field	Length/Type	Value/Description
Record Type	PIC X(02)	FT
Processor ID	PIC 9(08)	Must match the File Header Record
File Number	PIC 9(06)	Must match the File Header Record
File Create Date	PIC 9(08)	Must match File Header Record
File Create Time	PIC 9(06)	Must match File Header Record
File Record Count	PIC 9(06)	Count of all records in file including File Header and File Trailer records
Filler	PiC X(44)	SPACES

## 11.7. Sample File

```

***** Top of Data *****
FHXXXXXXXXX00000010000229003710
PHI235000109NNNNNNN0080YYYY9S6008
PDED20000228
PDPBIS000000000255055
PDED20000229
PDPBIS0000000003006507
PTI235000109NNNNNNN0080YYYY9S6008      00000003261562000006
FTXXXXXXXXX00000010000229003710000008
***** Bottom of Data*****

```



XXXXXXXX - Processor ID  
NNNNNN - RO-ID  
YYYY - Letter of Credit Code for the Project

## 12.0. STARS (FNS Retailer Redemption) File Format

The USDA-FNS Retailer Redemption file details on a daily basis the food stamp benefit redemptions performed for a respective EBT State project (i.e., EBT food stamp redemptions for the State of Florida). The file can be sent on a daily or weekly basis by the EBT service provider. Following are two examples of file formats transmitted to USDA-FNS.

Example 1 - Single day within the transmission

HEADER RECORD  
DETAIL RECORDS (for 1 date, i.e. 000101)  
“ “  
“ “  
“ “  
DAILY TOTAL RECORD (000101)  
TRAILER RECORD

Example 2 - Multiple days within the transmission

HEADER RECORD  
DETAIL RECORDS (for 1 date, i.e. 000102)  
“ “  
“ “  
“ “  
DAILY TOTAL RECORD (000102)  
DETAIL RECORDS (for 1 date, i.e. 000103)  
“ “



“ “  
“ “

DAILY TOTAL RECORD (000103)  
TRAILER RECORD

Each batch file includes a header record, the detail records for one or more days with a daily total following each day's record, and a trailer record at the end of the batch file.

The formats of the individual records follow.

### 12.1. Header Record

Record identifier PIC X Value '1'

Filler PIC X Value space

Processor R/T # PIC X(9) Bank R/T number

Processor Suffix # PIC X(7) Bank Suffix number or zeros

State Code PIC XX Alpha state code

Filler PIC X(3) Value zeros.

Date file generated PIC X(6) YYMMDD

Time file generated PIC X(4) HHMM

LOC number PIC X(4) Letter of Credit number or state



Filler PIC X(43) Value spaces.

## 12.2. Retailer Transaction Record

Record identifier PIC X Value space

Credit date PIC X(6) YYMMDD

Filler PIC X(12) Value spaces

‘Sign’ for dollar amount (next field) PIC X + or -

Dollar amount PIC 9(7)V99 Daily total amount for retailer for credit date

Retailer FNS number PIC X(7)

Filler PIC X(44) Value spaces

## 12.3. Daily Total Record

Record identifier PIC X Value ‘C’

Credit date PIC X(6) YYMMDD

Total count PIC 9(6) Total number of transaction records for credit date

Filler PIC X(6) Value spaces

‘Sign’ for dollar amount (next field) PIC X + or -



Total amount PIC 9(9)V99 Total dollar amount of all transactions for credit date

FillerPIC X(49) Value spaces

#### **12.4. Trailer Record**

Record identifier PIC X Value 'T'

Filler PIC X(6) Value spaces

Total record count PIC 9(6) Total number of transaction records in this transmission

Filler PIC X(6) Value spaces

'Sign' for dollar amount (next field) PIC X + or -

Total dollar amount PIC 9(9)V99 Total dollar amount for all transaction records in this transmission

Filler PIC X(49) Value spaces

#### **13.0. Specifications for the Submission of the ALERT EBT Detail Transaction File**

(Written October 1, 2001)

The U.S. Department of Agriculture's Food and Nutrition Service's (FNS') Anti-fraud Locator of EBT (Electronic Benefit Transfer) Retailer Transactions (ALERT) Subsystem utilizes a file of retailer EBT transactions provided by the states' contracted EBT processors. This file should be submitted once a month to FNS so that it is received by the fifteenth day of the calendar month. The monthly file should contain all of the retailer Food Stamp Program EBT transactions for the prior calendar month. The record layouts are shown (with validation criteria) on the following pages.



There are two basic changes: 1) Officially, moving from the 3480 tape cartridge to the less expensive and far more efficient compact disk technology for transmitting bulk data, and 2) Requiring a trailer record starting with November tape submissions (October data) which most providers are including already.

The file should be submitted on one of the following media types:

Compact Disk (CD) – preferred

4mm DAT tape (DDS-1 @ 2GB uncompressed)

For data submitted on tapes, the Labeling must be an IBM standard label. Each set of monthly data for a state should be submitted in ASCII or EBCDIC format on a separate tape volume and if necessary, in one file on multiple tape volumes. The record length is 99 bytes and the records should be blocked using a factor of 100 records per block.

Records delivered on CDs need to be delimited by a carriage return (X'13) and a line feed (X'10) in ASCII format with record length of 99 bytes. The data files need to be compressed and password protected using the WinZip v7.0 utility and multiple state files may be submitted on a single CD. The ALERT Help Desk at 703-305-2273 should be contacted to arrange for passwords.

Each state/month submission should have external (gummed) labels on the tapes/CD that identify the following information:

EBT Processor

State

Month, Year

Volume ID

File name – format “SSMMMYY” where SS = alphabetic state code

MMM = alphabetic abbreviation for Month

YY = numeric year (i.e. 2001 would be 01)

Tape \_\_ of \_\_ (sequential number of tape in multi-volume files)

Format type (ASCII or EBCDIC)

Lastly, as identified in the Detail Transaction Layout Specification, the detail transactions must be sorted using a character sort in ascending order by Store ID - Auth # (pos. 1 - 7), Household Acct # (pos. 18 - 31), Transaction Date (pos. 51 - 58) and Transaction Time (pos. 59 - 64). In addition, “Void last” or Reversals (Transaction Type 30) must follow the transaction being voided. The



Header Transaction should always be the first record in the file, and the Trailer Transaction is required must be the last record in the file.



### 13.1. EBT Detail Transaction Header Record Validation Requirements

R/O: Required/Optional    TYPE: Character/ Numeric    C/W: Critical/Warning

R/O	Description	Type	Length	Sort	C/W	Validation/Processing Requirement
R	State Code	C	2		C	Valid alphabetic state code for the data file, which should match state code on external label of the tape.
R	File Year	N	2		C	Year of the EBT data in the file, which should match year on external label of the tape.
R	File Month	N	2		C	Month of the EBT data in the file, which should match month on external label of the tape.
R	Total Detail Count	N	9		C	Will be zero value. Trailer record contains the actual count.
R	Submitting Vendor	C	30		C	The name of the vendor submitting this file - must not be all blanks.
R	Tape Generation Date	N	8		C	Valid Date in CCYYMMDD format
R	Period Start Date	N	8		C C	Valid Date in CCYYMMDD format Must be the first calendar day of the same month as the Period End Date
R	Period End Date	N	8		C C	Valid Date in CCYYMMDD format Must be the last calendar day of the same month as the Period Start Date
O	Filler	C	30			
Header Transaction Length			99			



### 13.2. EBT Detail Transaction Detail Record Validation Requirements

R/O: Required/Optional    TYPE: Character/ Numeric    C/W: Critical/Warning

R/O			Length	Sort1		
R	Store ID - Auth #	N	7	1	C	Numeric and must match a valid FNS store authorization number
R	Store State	C	2		C	Valid alphabetic state code and must match the state where the store is located
R	POS Terminal ID	C	8		C	Cannot be spaces, low-values, high-values, or all zeroes
R	Household Acct #	C	14	2	C	Cannot be spaces, low-values, high-values, or all zeroes
R	Card Account #	C	19		C	Must contain up to 19 numeric digits (left justified). If less than 19 numeric digits, the remaining positions must contain blanks.
R	Transaction Date	C	8	3	C	Valid Date in CCYYMMDD format C Must be < or = Header Period End Date C Must be > or = Header Period Start Date
R	Transaction Time	C	6	4	C	Valid time in HHMMSS format (24 hour clock)
R	Transaction Amount	N	6		C	9(4)V99, C Numeric, C Must be > 0 if Transaction Type (NN) = (10, 20) and Response Code = "000"
R	Transaction Sign	C	1		C	Must be "+" for a credit (refunds or void last) or "-" for a debit amount (purchases). Ignored for Balance Inquiry transactions
R	Transaction Type	C	5		C	Format = XXNNY C XX : 00 - FSP C NN: 10 - Purchase 20 - Refund 30 - Void last Transaction 40 - Balance Inquiry C Y: 0 - Electronic swipe 1 - key entry 2 - paper voucher 3 - store & forward

<sup>1</sup> Transactions Encoded as "Void Last Transaction" must immediately follow the transaction being voided where the Household account, card account number and the absolute value of the Transaction Amount match the Transaction being reversed, as well as, the "Prior Balance" amount must correctly reflect the balance prior to the reversal.



R/O			Length	Sort1	
R	Response Code	C	3		C W See Table 1 for valid combinations Alphabetic, blanks or any non-numeric data is not allowed Numeric but invalid combination values are issued "warnings"
R	Available Balance prior to transaction	N	6		C C 9(4)v99, Numeric, Must be > or = Transaction Amount, if Transaction Type (NN) = '00' and Response Code (X) =' 0'
O	Filler	C	14		value is optional, data is never looked at, since it is reserved for future use



### 13.3. EBT Detail Transaction Trailer Record Validation Requirements

R/O: Required/Optional    TYPE: Character/ Numeric    C/W: Critical/Warning

R/O	Description	Type	Length	Sort	C/W	Validation/Processing Requirement
R	State Code	C	2		C	Valid alphabetic state code for the data file, which should match state code on external label of the tape.
R	File Year	N	2		C	Year of the EBT data in the file, which should match year on external label of the tape.
R	File Month	N	2		C	Month of the EBT data in the file, which should match month on external label of the tape.
R	Total Detail Count	N	9		C	Must match the total count of detail transactions in the file.
R	Submitting Vendor	C	30		C	The name of the vendor submitting this file - must not be all blanks.
R	Tape Generation Date	N	8		C	Valid Date in CCYYMMDD format
R	Period Start Date	N	8		C C	Valid Date in CCYYMMDD format Must be the first calendar day of the same month as the Period End Date
R	Period End Date	N	8		C C	Valid Date in CCYYMMDD format Must be the last calendar day of the same month as the Period Start Date
O	Filler	C	30			
Trailer Transaction Length			99			

The use of a trailer record is required and contains the accumulated detail transaction count at the end of the file. The Total Detail Count in the header record should be zero and all other field values should match in the header and trailer records.



#### 13.4. Table of Valid Response Code Combinations

Response Code	ISO Code2 (bit 039)	Response Description
000	00	Accepted/Approved
110	51	Insufficient funds
	61	Return exceeds benefit authorization
120	55	Invalid PIN/PIN not selected
121	75	PIN Tries Exceeded
130	03	Bad FNS Status for Merchant/Invalid Merchant
140	41	Lost Card
	43	Lost/Stolen Card
141	42	No Account
	52	No Account on File
142	54	Expired Card
150	56	Card Number not found
151	59	Fraud (Return Card)
152	62	Restricted Card
160	05	General Denial
180	A1	Invalid Voucher ID/Invalid Authorization Number
	06	Invalid Transaction
	12	Invalid Transaction Type
	13	Invalid Amount Field
	14	Invalid Card Number
	19	Re-enter Transaction
	23	Unacceptable Transaction Fee
	30	Format Error
	31	Card has Invalid ISO Prefix
	40	Function Not Available
	58	Invalid Transaction
	76	Key Synchronization Error
	80	Voucher Expired
	86	Invalid Security Code
190	90	Processor not logged on
	91	Authorizer Not Available
	96	System malfunction

<sup>2</sup> From the “EBT ISO Processor Interface Technical Specifications Manual”



## 14.0. REDE File Formats

The Retailer Electronic Data Exchange (REDE) interface facilitates the exchange of retailer data between FNS and the EBT processors. The REDE system creates state retailer data update files and national retailer data update files.

### 14.1. State Retailer File Format

#### 14.1.1. State Retailer File Header Record

FIELD DESCRIPTION	FIELD TYPE	FIELD WIDTH	FIELD POSITION	COMMENTS
Transaction Type Code	Char	1	1	Blank
State Code	Char	2	2 - 3	Alphabetic state code where stores are located
Date Range				Date range for effective dates of retailer update transactions
Beginning Date	Char	8	4 - 11	For the daily update file, the beginning date of the date range in CCYYMMDD format. For the monthly file, the date the file is produced.
Ending Date	Char	8	12 - 19	For the daily file, the ending date of the date range in CCYYMMDD format. For the monthly file, the date the file is produced.
Transaction Count	Num	7	20 - 26	Count of detail records in the file
Filler	Char	54	27 - 80	Blanks



#### 14.1.2. State Retailer File Trailer Record

FIELD DESCRIPTION	FIELD TYPE	FIELD WIDTH	FIELD POSITION	COMMENTS
Transaction Type Code	Char	1	1	'T' - Trailer record
State Code	Char	2	2 - 3	Alphabetic state code where stores are located
Date Range				Date range for effective dates of retailer update transactions
Beginning Date	Char	8	4 - 11	For the daily update file, the beginning date of the date range in CCYYMMDD format. For the monthly file, the date the file is produced.
Ending Date	Char	8	12 - 19	For the daily file, the ending date of the date range in CCYYMMDD format. For the monthly file, the date the file is produced.
Transaction Count	Num	7	20 - 26	Count of detail records in the file
Add Transaction Record Count	Num	7	27 - 33	Count of "add" transaction records in the file
Delete Transaction Record Count	Num	7	34 - 40	Count of "delete" transaction records in the file
Modify Transaction Record Count	Num	7	41 - 47	Count of "modify" transaction records in the file
Re-activate Transaction Record Count	Num	7	48 - 54	Count of "re-activate" transaction records in the file
Hash Count	Num	8	55 - 62	Numeric hash count for backwards compatibility
Filler	Char	18	63 - 80	Blanks



### 14.1.3. State Retailer Detail Records

FIELD DESCRIPTION	FIELD TYPE	FIELD WIDTH	FIELD POSITION	COMMENTS
Transaction Type Code	Char	1	1	'A' if a new store was added, "R" if a previously authorized store was reinstated (Auth Status 01, Reason Code 02) or 'M' if an existing store was modified or 'D' if an existing store was removed from the program.
State Abbreviation	Char	2	2-3	Alphabetic State Code
Store Number	Num	7	4 - 10	STARS Authorization Number
Store Name	Char	33	11 - 43	Full name of store
Telephone Number	Num	10	44 - 53	Full telephone number with area code
Open 24 Hours Indicator	Char	1	54	'Y' if open 24 hours; otherwise 'N'
Registers Count	Num	5	55 - 59	Total number of check-out registers in store
County Code	Char	3	60 - 62	Code indicating county within state where store resides
Business Type Code	Char	2	63 - 64	Code indicating type of store - see Figure 1
Address Number	Char	8	65 - 72	Address number on street where store is located
Street Name	Char	25	73 - 97	Full name of street where store is located
City Name	Char	15	98 - 112	Full name of city where store is located
State Code	Char	2	113 - 114	Alphabetic state code where store is located
Zip Code	Num	5	115 - 119	5 digit zip code where store is located
Zip 4 Code	Num	4	120 - 123	4 digit zip code suffix where store is located
Authorization Status Code	Char	2	124 - 125	Code indicating current



FIELD DESCRIPTION	FIELD TYPE	FIELD WIDTH	FIELD POSITION	COMMENTS
				authorization status of store - see Figure 2 ( <b>Note Changes</b> )
Authorization Status Date	Num	8	126 - 133	Effective date of current authorization status in CCYYMMDD format
Authorization Withdrawal Reason Code	Char	2	134 - 135	Reason for authorization or withdrawal- see Figure 3 ( <b>Note added Reasons</b> )
Re-certification Status Date	Num	8	136 - 143	Date in CCYYMMDD format the store was re-certified (re-authorized) as authorized under FNS regulations based on updated data supplied by the retailer.
Ownership Type Code	Char	1	144	'1' if sole proprietorship or '2' if partnership or '3' if privately-held corporation or '4' if publicly owned corporation or '5' if cooperative or '6' if government or '7' if <b>limited liability company</b> or '8' if <b>limited liability partnership</b> ( <b>Note C and P no longer in use—See Table for new business types</b> )
Owner's Name Format	Char	1	145	'1' if a person's name or '2' if an organization's name (corporation, company, government, etc.)
Owner's Name	Char	33	146 - 178	Organization or primary person that owns the retailer (if person's name, the first 13 characters contain the first name and



FIELD DESCRIPTION	FIELD TYPE	FIELD WIDTH	FIELD POSITION	COMMENTS
				middle name or initial, and the last 20 characters contain the last name)
Mailing Address Number	Char	8	179 - 186	Address number on street on store mailing address
Mailing Street Name	Char	25	187 - 211	Full name of street on store mailing address
Mailing City Name	Char	15	212 - 226	Full name of city on store mailing address
Mailing State Code	Char	2	227 - 228	Alphabetic state code on store mailing address
Mailing Zip Code	Num	5	229 - 233	5 digit zip code on store mailing address
Mailing Zip 4 Code	Num	4	234 - 237	4 digit zip code extension on store mailing address
Filler	Char	43	238 - 280	Blanks



## 14.2. National Retailer File Format

### 14.2.1. National Retailer File Header Record

FIELD DESCRIPTION	FIELD TYPE	FIELD WIDTH	FIELD POSITION	COMMENTS
Transaction Type Code	Char	1	1	Blank
Creation Date	Char	8	2 - 9	Date this file was created in CCYYMMDD format.
File Type	Char	1	10 - 10	File type indicator where "D" = daily change file, "F" = full replacement file.
Transaction Count	Num	7	11 - 17	Count of detail records in the file
Filler	Char	18	18 - 35	Blanks



#### 14.2.2. National Retailer File Trailer Record

FIELD DESCRIPTION	FIELD TYPE	FIELD WIDTH	FIELD POSITION	COMMENTS
Transaction Type Code	Char	1	1	“T” - Trailer record
Creation Date	Char	8	2 - 9	Date this file was created in CCYYMMDD format.
File Type	Char	1	10 - 10	File type indicator where “D” = daily change file, “F” = full replacement file.
Add Transaction Count	Num	7	11 - 17	Count of “add” detail records in the file
Delete Transaction Count	Num	7	18 - 24	Count of “delete” detail records in the file
Modify Transaction Count	Num	7	25 - 31	Count of “modify” detail records in the file
Filler	Char	4	32 - 35	Blanks



### 14.2.3. National Retailer File Detail Record

FIELD DESCRIPTION	FIELD TYPE	FIELD WIDTH	FIELD POSITION	COMMENTS
Transaction Type Code	Char	1	1	'A' if store was added or 'D' if store was deleted or 'M' if state code, first ten characters of store name or business type code were modified
Store Identification	Num	7	2 - 8	STARS Authorization Number
State Code	Char	2	9 - 10	Alphabetic state code where store is located
Store Name	Char	10	11 - 20	First ten characters of the store name
Business Type Code	Char	2	21 - 22	Code indicating type of store (See Table for added Types)
Filler	Char	13	23 - 35	Blanks



### 14.3. Code Definitions for Business Type and Authorization Status

The values for the Business Type Authorization Status Code and Reason and Withdrawal and Disqualification Codes and Reasons used in the record layouts are listed below.

#### 14.3.1. Business Type Code List

Business Type Code XX

##### **STARS II Store/Meal Service Types (new codes in boldface type)**

AD	Drug and/or Alcohol Treatment Program	meal service
BC	Nonprofit Food Buying Coop	store
BR	Bread Route	store
BW	Shelter for Battered Women and Children	meal service
CB	Combination Grocery/Bar	store
<b>CD</b>	<b>Communal Dining Facility</b>	meal service
CG	Combination Grocery/Gas	store
CM	Combination Grocery/Merchandise	store
CO	Other Combination	store
CR	Combination Grocery/Restaurant	store
CS	Convenience Store	store
<b>DS</b>	<b>Drug Store</b>	store
FM	Multi-stall Farmers' Market	store
GL	Group Living Arrangement	meal service
GS	Small/Medium Grocery	store
HF	Health/Natural Food	store
HP	Homeless Meal Provider	meal service
MC	Military Commissary	store
<b>MD</b>	<b>Meal Delivery Service</b>	meal service
MR	Milk Route	store
OF	Other Firm	store
OR	Other Route	store
PR	Produce Route	store
PS	Produce Stand	store
RE	Private Restaurant/Meal Delivery	meal service
<b>SC</b>	<b>Senior Citizens' Center/Residential Building</b>	meal service
SF	Specialty Food	store
SM	Supermarket	store
<b>SS</b>	<b>Superstore</b>	store
WH	Wholesaler	store
<b>WR</b>	<b>Co-located Wholesaler/Retailer</b>	store



### 14.3.2. Authorization Status Code List

Authorization Status Code: XX

- 01 Authorized
- 03 Withdrawn
- 04 Disqualified
- 05 Reinstated (Now Under Authorization Code 01)
- 07 Permanent Disqualification
- 10 Permanently Withdrawn

### 14.3.3. Status Reason Code List

Status Reason Code for "Authorized": 01

- 01 Initial Authorization
- 02 Reinstated

Status Reason Code for "Withdrawn": 03

- 01 Voluntary Withdrawal
- 02 Involuntary - Other
- 03 Involuntary - Withdrawn
- 04 Involuntary Withdrawal - Does not meet Criteria A or Criteria B
- 05 Involuntary – Not a Retail Food Store
- 06 Involuntary - Failure to Cooperate
- 07 Involuntary - Failure to Pay
- 08 Involuntary - Business Integrity
- 09 Involuntary – Non-Redeemer

Status Reason Code for "Disqualified": 04

- 01 Food Stamp Program Violation
- 02 WIC Program Violation
- 03 Failure to Pay

Status Reason Code for "Permanently Disqualified": 07

- 01 Food Stamp Program Violation
- 02 WIC Program Violation
- 03 Failure to Pay

Status Reason Code for "Permanently Withdrawn": 10

- 01 Business Integrity



## ATTACHMENT G-1

### **ADMINISTRATIVE TERMINAL / PIN SELECT DEVICE USERS**

#### **Administrative Terminal Users**

State Users	27
Agency Users	548
Total	575

#### **Pin-Select Devices**

Number of Devices	141
Number of Users	220

**NOTE:** This information is provided for informational purposes only. This information does not constrain the State in any way regarding the number of Administrative Terminals and users or PIN-Select Devices and users.



## ATTACHMENT G-2

### TOTAL NUMBER OF VAULT CARDS ISSUED

MONTH	INITIAL CARDS	REPLACEMENT CARDS	TOTAL VAULT CARDS ISSUED
Nov 04	1,011	679	1,690
Dec 04	888	770	1,658
Jan 05	1,057	777	1,834
Feb 05	838	690	1,528
March 05	955	652	1,607
April 05	969	701	1,670
May 05	862	706	1,568
June 05	980	776	1,756
July 05	946	744	1,690
Aug 05	1,121	872	1,993
Sept 05	1,178	975	2,153
Oct 05	1,034	963	1,997
TOTAL			21,144
Avg/Month			1,762



## ATTACHMENT G-3

### EBT QUEST CARDS RETURNED BY THE POST OFFICE

EBT CARDS RETURNED BY THE POST OFFICE EVERY MONTH	
MONTH	# OF CARDS
Nov 04	429
Dec 04	403
Jan 05	440
Feb 05	459
March 05	550
April 05	380
May 05	524
June 05	518
July 05	546
Aug 05	629
Sept 05	541
Oct 05	687
TOTAL	6,106
Avg/Month	509



## ATTACHMENT G-4

### FOODSHARE BENEFITS ISSUED FROM NOVEMBER 04 THROUGH OCTOBER 05

<b>MONTH</b>	<b>EMERGENCY</b>	<b>DAILY</b>	<b>MONTHLY</b>	<b>TOTAL ISSUANCE</b>
Nov 04	500,466	3,576,668	21,450,834	25,527,948
Dec 04	488,116	4,267,106	21,686,989	26,442,211
Jan 05	593,878	3,518,401	21,957,081	26,015,360
Feb 05	435,449	3,629,861	22,450,943	26,516,253
March 05	507,626	4,273,003	22,577,218	27,357,847
April 05	475,610	4,235,219	22,475,404	27,186,233
May 05	474,610	3,465,558	22,258,623	26,198,791
June 05	505,286	4,218,849	22,424,989	27,149,124
July 05	475,727	4,196,214	22,094,128	26,766,069
Aug 05	579,135	3,844,369	22,215,718	26,632,312
Sept 05	560,800	4,613,874	22,200,620	27,378,749
Oct 05	549,479	4,169,366	23,490,934	28,209,779
<b>TOTAL</b>				<b>321,380,676</b>
<b>Avg/Month</b>				<b>26,781,723</b>



## ATTACHMENT G-5

### NUMBER OF EBT-ONLY POS DEVICES PAID FOR BY THE STATE OF WISCONSIN

Month	Number of EBT-Only POS Devices Paid for by the State
Nov 04	742
Dec 04	742
Jan 05	763
Feb 05	763
March 05	753
April 05	793
May 05	790
June 05	790
July 05	793
Aug 05	791
Sept 05	793
Oct 05	793



## ATTACHMENT G-6

### HISTORICAL CARD REPLACEMENT DATA

MONTH	TOTAL CARDS REPLACED	Replacement Reasons			
		LOST	DAMAGED	STOLEN	OTHER
Nov 04	8,818	4,343	775	546	3,154
Dec 04	8,852	4,594	680	468	3,110
Jan 05	9,352	4,657	856	474	3,365
Feb 05	8,161	4,217	625	433	2,886
March 05	8,995	4,575	788	569	3,063
April 05	8,955	4,656	761	531	3,098
May 05	8,937	4,675	758	504	3,000
June 05	9,630	4,997	775	553	3,305
July 05	9,381	5,067	636	507	3,171
Aug 05	10,376	5,350	724	574	3,728
Sept 05	10,356	5,368	700	562	3,726
Oct 05	10,242	5,315	805	530	3,592

As of September, 2005, there are a total of 164,621 active Cards Statewide. The total Cards replaced includes replacement Vault Cards.



## ATTACHMENT G-7

### RETAILER DATA

MONTH	TOTAL # FNS-CERT. RETAILERS	#EBT-ONLY PAID FOR BY STATE	TOTAL #PURCHASED TRANSACTIONS	DOLLAR AMOUNT	REVERSALS	DOLLAR AMOUNT	NUMBER MANUALS	DOLLAR AMOUNT	DENIED TRANS- ACTIONS.
NOV 04	1,924	742	914,805	25,391,038	1,208	43,768	2,381	104,007	75,477
DEC 04	1,924	742	911,145	26,189,194	903	34,593	2,092	98,543	78,572
JAN 05	1,998	763	1,000,461	26,359,412	844	30,967	1,813	77,461	74,818
FEB 05	2,010	763	838,799	25,178,749	708	30,505	1,893	88,075	69,816
MAR 05	2,024	753	966,162	27,541,214	975	36,139	2,793	115,798	79,599
APR 05	2,032	793	971,074	26,785,788	1,033	39,106	2,976	140,656	76,968
MAY 05	2,040	790	966,591	26,969,765	965	36,002	2,636	121,414	81,087
JUNE 05	2,046	790	1,000,461	26,359,412	844	30,967	2,661	116,541	79,373
JULY 05	2,054	793	1,017,990	26,798,466	855	30,451	1,965	79,491	81,504
AUG 05	2,061	791	1,022,023	26,742,105	947	35,950	1,902	82,840	82,666
SEPT 05	2,074	793	981,622	26,344,233	1,258	36,221	1,756	75,104	81,075
OCT 05	2,070	793	1,036,711	28,497,773	933	35,767	2,229	93,700	85,376
TOTAL		9,306							
AVG/ MONTH		775.5							



## ATTACHMENT G-8

### HISTORICAL RECIPIENT HELP DESK DATA

MONTH	ARU CALLS	CSR CALLS	STATUS CARD	PIN ISSUES	BAL. INQ.	TRANS. INQ.	REFER LOCAL OFFICE	BEN. AVAIL.	HANG- UPS	MERCHANT	MISC.
NOV 04	372,895	12,960	5782	5,709	5,327	1,479	317	87	497	139	4,231
DEC 04	372,421	13,726	5,812	5,864	5,994	1,560	504	160	117	48	5,889
JAN 05	376,935	14,763	6,081	6,107	6,177	1,525	480	206	121	282	5,524
FEB 05	332,824	12,479	5,350	5,296	4,982	1,361	369	154	119	230	4,389
MARCH 05	369,503	13,592	5,765	5,741	5,386	1,461	463	233	134	322	4,932
APRIL 05	369,169	12,989	5,847	5,765	5,051	1,312	325	197	135	306	3,492
MAY 05	383,575	13,626	5,720	5,665	5,346	1,168	370	220	178	358	2,045
JUNE 05	380,419	14,921	5,741	5,903	5,984	1,261	581	392	149	384	2,742
JULY 05	382,052	15,413	5,734	5,819	6,002	1,147	544	430	221	1,140	3,542
AUG 05	391,735	15,768	6,403	6,404	6,674	1,301	524	432	206	199	3,906
SEPT 05	371,532	16,227	6,488	6,537	6,846	1,324	597	372	198	462	4,206
OCT 05	383,358	14,857	6,758	6,545	5,732	1,662	409	360	283	96	1,632



## ATTACHMENT G-9

### EBT CASELOAD COUNTS

YEAR	MONTH	EBT CASELOAD
1999	September	28
	October	1,782
	November	1,749
	December	1,818
	TOTAL	5,377
	Avg	1,075
2000	January	1,844
	February	2,845
	March	13,196
	April	15,306
	May	22,075
	June	26,829
	July	29,296
	August	39,191
	September	64,181
	October	67,803
	November	72,831
	December	73,925
	TOTAL	429,322
	Avg	35,777
2001		
	January	75,248
	February	74,573
	March	77,843
	April	76,233
	May	78,852
	June	78,766
	July	78,796
	August	84,578
	September	88,555
	October	91,826
	November	93,042



YEAR	MONTH	EBT CASELOAD
	December	92,954
	TOTAL	991,266
	Avg	82,605
2002		
	January	95,642
	February	95,135
	March	98,108
	April	98,947
2002		
	May	98,349
	June	97,668
	July	97,005
	August	99,013
	September	99,829
	October	104,416
	November	104,733
	December	104,360
	TOTAL	1,193,225
	Avg	99,435
2003		
	January	107,327
	February	106,307
	March	108,244
	April	110,697
	May	111,079
	June	110,143
	July	113,100
	August	113,007
	September	113,871
	October	116,265
	November	116,386
	December	117,873
	TOTAL	1,344,299
	Avg	112,025
2004		
	January	121,116
	February	118,375
	March	120,924



YEAR	MONTH	EBT CASELOAD
	April	121,839
	May	120,131
	June	121,604
	July	122,101
	August	121,460
	September	125,518
	October	127,243
	November	129,742
	December	133,385
	TOTAL	1,483,438
	Avg	123,611
2005		
	January	133,543
	February	135,430
	March	138,180
	April	137,056
2005		
	May	135,515
	June	138,446
	July	136,503
	August	137,402
	September	139,728
	October	140,255
	November	143,152
	December	
	TOTAL	1,515,210



## Attachment H

### State Hardware / Software Configuration

Currently, the State connects to JPMorgan using a 56K line that runs to New Castle, Delaware as the production line. A second 56K line runs to JPMorgan in Silver Spring, Maryland as a backup/test line. Both lines terminate in Madison, Wisconsin at the Department of Administration (DOA) Building. The physical configuration there consists of a DSU/CSU to CYLINK Encryptor to a 2500 Router to an FEP. The FEP has two ports that connect to routers owned by JPMorgan. These routers are connected via ethernet connectivity. There is a single Frame Relay into DOA and each site has its own Frame Relay. The State of Wisconsin uses an IBM SNI Interconnect Process. ConnectDirect is used to transfer files between the Mainframe in Wisconsin to JPMorgan. JPMorgan is responsible for their routers and the 56K lines.

The State's current location at DOA will be replaced with a new site in the near future. The demarcation point for the production line will be at this new site. The demarcation point for the Backup/test line would remain at the DOA building. At that point, the State will no longer support SNA/SNI and must be TCP/IP only. ConnectDirect via IP File Transfer software must be used to support datafile transmissions. The Contractor shall provide a circuit, or two if redundancy is desired, and any hardware necessary to connect to the State's network.



## Attachment I

STATE OF WISCONSIN  
DEPARTMENT OF ADMINISTRATION  
DIVISION OF STATE FACILITIES (DSF)  
DOA-3027 N (R09/97)  
s. 19.36(3) Wisconsin Statutes



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<http://www.doa.state.wi.us/dsf>

### DESIGNATION OF CONFIDENTIAL AND PROPRIETARY INFORMATION

The attached material submitted in response to Bid/Proposal # 1553 DHCF-EG includes proprietary and confidential information which qualifies as a trade secret, as provided in s. 19.36(5), Wis. Stats., or is otherwise material that can be kept confidential under the Wisconsin Open Records Law. As such, we ask that certain pages, as indicated below, of this bid/proposal response be treated as confidential material and not be released without our written approval.

Prices always become public information when bids/proposals are opened, and therefore cannot be kept confidential.

Other information cannot be kept confidential unless it is a trade secret. Trade secret is defined in s. 134.90(1)(c), Wis. Stats. as follows: "Trade secret" means information, including a formula, pattern, compilation, program, device, method, technique or process to which all of the following apply:

1. The information derives independent economic value, actual or potential, from not being generally known to, and not being readily ascertainable by proper means by, other persons who can obtain economic value from its disclosure or use.
2. The information is the subject of efforts to maintain its secrecy that are reasonable under the circumstances.

We request that the following pages not be released

Section Topic	Page #
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IN THE EVENT THE DESIGNATION OF CONFIDENTIALITY OF THIS INFORMATION IS CHALLENGED, THE UNDERSIGNED HEREBY AGREES TO PROVIDE LEGAL COUNSEL OR OTHER NECESSARY ASSISTANCE TO DEFEND THE DESIGNATION OF CONFIDENTIALITY.



Failure to include this form in the bid/proposal response may mean that all information provided as part of the bid/proposal response will be open to examination and copying. The state considers other markings of confidential in the bid/proposal document to be insufficient. The undersigned agrees to hold the state harmless for any damages arising out of the release of any materials unless they are specifically identified above.

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Name - Authorized Representative

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Signature - Authorized Representative

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Company Name

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Date

This form can be made available in accessible formats upon request to qualified individuals with disabilities.